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Readying institutions and policies for implementation of the 2030 Agenda for Sustainable Development: promoting policy and institutional coherence in implementing the Sustainable Development Goals to be reviewed in depth by the 2018 high-level political forum on sustainable development and the other Goals

Promoting policy and institutional coherence for the Sustainable Development Goals

Note by the Secretariat

The Secretariat has the honour to transmit to the Committee of Experts on Public Administration the paper prepared by Committee member Louis Meuleman, in consultation with Cristina Duarte, Geraldine Fraser-Moleketi, Bridget Katsriku, Ma Hezu and Joan Mendez.

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Promoting policy and institutional coherence for the Sustainable Development Goals

Summary

An important condition for the achievement of the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals by 2030 will be the development of more coherent policies, policy implementation and administrative and institutional frameworks. However, incoherence linked to political and administrative fragmentation and silo-thinking is still prominent and results in huge environmental, social and economic costs.

The present paper contains an analysis of how Governments could implement the call in Sustainable Development Goal 17 to improve policy and institutional coherence. It identifies interventions to improve coherence and presents some good practice examples of overcoming policy contradictions and improving political steering and administrative quality across policy sectors and across different levels of government.

Coherence is characterized by logic and consistency and has different meanings in different contexts. The implementation of common goals requires differentiation with respect to policies, governance and administrative mechanisms across countries and across government levels. Even if it seems a paradox, coherence and differentiated practice need to go hand in hand: the Sustainable Development Goals are about unity and diversity. The 2030 Agenda and its Goals provide an opportunity and a responsibility to improve the capacity of political, social, economic and administrative systems. This is a joint challenge of less-developed and more-developed nations. All countries are facing very similar challenges with regard to policy and institutional coherence for the Sustainable Development Goals, but many have already found solutions to some of the problems. Mechanisms supporting the structured exchange of good practices and valuable lessons learned between countries should be put in place without delay.

The present paper contains 10 concrete recommendations, which should enable, guide and coach efforts to achieve better coherence. The implementation of the recommendations will require sponsors, early adopters and supporters.

Three of the recommendations emphasize principles for the promotion of coherence: (1) the promotion of policy coherence should be in synergy with the promotion of institutional coherence; (2) measures for the promotion of coherence should be adapted to the context in which they will be implemented; and (3) the private sector, civil society and the academic world should be closely involved in the promotion of coherence.

Four of the recommendations suggest concrete actions: (4) the structured improvement of policy and institutional coherence requires national work programmes; (5) a combination of intervention types should be used to promote coherence; (6) complementary tools to promote coherence can be combined; and (7) public sector reforms should be redirected to deliver better on coherent implementation of the Sustainable Development Goals.

Three recommendations stress specific actions on learning: (8) there is a need for a global peer-to-peer learning mechanism for the promotion of coherence; (9) a global network of national coherence promotion coordinators should be established; and (10) national public administration schools should integrate the promotion of coherence for the Sustainable Development Goals in their curricula.

I. An urgent call to promote policy and institutional coherence for the Sustainable Development goals

1. The present paper is intended to offer concrete recommendations to promote policy and institutional coherence for the Sustainable Development Goals based on an analysis of the successes and failures of existing policy and institutional coherence in supporting the implementation of the globally endorsed Goals. The recommendations presented in the paper are intended to be action-oriented and operational.

2. In the 2030 Agenda for Sustainable Development, the integrated, indivisible and universal nature of the Sustainable Development Goals is stressed. It is essential to build synergies across all dimensions of sustainable development for the effective implementation of the Goals. There is therefore a need for integrated policies that address the relationships among the economic, social and environmental dimensions of sustainable development and among different sectors. In 2017, the high-level political forum on sustainable development, as the main platform for reviewing implementation of the Sustainable Development Goals, acknowledged that many countries had already established mechanisms to improve coordination for better implementation of the Goals. Examples include cross-sectoral government working groups, multi-stakeholder committees and high-level coordinators, and some countries are striving for a broader whole-of-government approach.

3. However, many countries continue to grapple with the challenge of developing and implementing policies that integrate the three dimensions of sustainable development and build on the synergies between the various goals and targets. In order address this challenge, it is important to rethink the way institutions are organized and work and the way they make, deliver and review policies. Institutions and institutional infrastructure are crucial for promoting sustainable development.

4. Another precondition for improving policy and institutional coherence for the Sustainable Development Goals is effective leadership with the vision and ownership to build the necessary institutions and policies for domestic resource mobilization, accountability and transparency. Such leadership cannot be outsourced to external experts; it must be in-house capacity. Leadership is needed at the highest level of government and at all levels of public administration.

5. The Economic and Social Council has invited the Committee of Experts on Public Administration to place the 2030 Agenda at the centre of its work (see Council resolution 2016/26, para. 2), thus giving the Committee, as the only expert body in the United Nations dedicated to governance and public administration issues, a critical mandate to provide advice and programmatic guidance on the various institutional aspects of enhancing policy coherence and promoting integrated approaches to sustainable development. Since its first session, in 2002, the Committee has provided advice about promoting administration-wide strategies, participation and partnerships and about systemic approaches to disaster risk management, the complexity of governance, integrated policymaking, strengthening administrative capacity, national institutional arrangements and strategies, and policy coherence within specific policy domains. In 2017, the Committee concluded that practical tools were needed to assist policymakers in implementing the Sustainable Development Goals.

6. The synthesis reports of the voluntary national reviews at the high-level political forum[1] and other recent publications have provided an analysis of the successes and failures with respect to policy and institutional coherence in many countries. However, notwithstanding the positive intentions and promising measures, sustainability governance by the States Members of the United Nations is still dominated by centralism and neglect of the complexity and the difficulty of the challenges, together with overly simplified approaches to problems within classical hierarchical governance structures (see E/C.16/2017/5). Hierarchical thinking promotes specialization, which results in fragmentation and silo-thinking. In addition, the cultural dimension of governance, including its coherence challenges, is often neglected.[2]

7. The lack of policy coherence can be traced back to governance failures, such as the lack of dedicated incentives and arrangements to support working across policy sectors and among levels of government. The absence of adequate horizontal and vertical coordination is a serious problem.

8. In addition to a general analysis, the present paper provides a specific analysis of coherence issues concerning the Sustainable Development Goals that will be reviewed in depth at the meeting of the high-level political forum in 2018, namely Goals 6, 7, 11, 12 and 15, on water and sanitation, energy, cities and human settlements, consumption and production patterns, and life on land, respectively, as well as Goal 17.

II. Defining policy and institutional coherence

9. Targets 13 to 15 of Sustainable Development Goal 17 call for addressing the systemic challenges of policy and institutional coherence for sustainable development. Although the terms "coherence" and "integration" are often used as synonyms, there is a small but significant difference between them which is relevant in the context of the present paper. Policy integration emphasizes taking the objectives of other policy sectors into account (e.g., environmental integration in energy policy) or even merging objectives. The promotion of policy coherence implies ensuring logic and consistency among policies and preventing them from undermining each other. This requires having a kind of coherence "watchdog" function in place when new policies are designed and when policies are being implemented.

10. Policy and institutional coherence suggests logic and consistency, but the term is subjective and culturally coloured, and no objective measure for coherence exists. Accordingly, the term "coherence" should always be used in context. On the other hand, the development of logical and consistent policies and functioning institutions is widely recognized as necessary.

11. Political and organizational cultures can hamper coherence, horizontally within or between government departments and vertically between levels of administration. There are often large cultural differences between spending departments, such as those dealing with infrastructure, and regulatory departments, such as departments of justice, the environment or finance. Internationally, this happens between

[1] United Nations, Synthesis of voluntary national reviews. Available from https://sustainabledevelopment.un.org.

[2] Louis Meuleman, "Cultural diversity and sustainability metagovernance", in *Transgovernance: Advancing Sustainability Governance*, Louis Meuleman, ed. (Heidelberg, Germany, New York, United States of America, Dordrecht and Amsterdam, Netherlands, Springer, 2013)

organizations with similar tasks but different national cultural backgrounds. For example, the coherence of energy policies across national borders can be difficult because in some countries such policies are largely privatized, whereas in others they are not.

12. Policy coherence thus entails achieving consistency between different policies within and across sectors and at different levels of government. Policy coherence for sustainable development, and in particular for the Sustainable Development Goals, builds on the long experience of policy coherence for development in the field of development cooperation, which aims at achieving consistency between foreign aid and other, sometimes contradictory, development-related policy areas, such as agriculture, trade, investment, technology and migration.[3] The objective of both policy coherence for development and policy coherence for sustainable development is to ensure that policy instruments are aligned to support the same objectives. However, many important global agreements lack this requisite coherence during their implementation, which makes them underperform in terms of the desired impact and scale of their outcomes. Moreover, political leaders are not usually held accountable for policy coherence.

13. Incoherence among policies has a tremendous impact on the implementation of the Sustainable Development Goals. The tackling of climate change (Goal 13) is hampered by the still-existing massive subsidies of fossil fuels, although Goal 7 promotes affordable and clean energy. Hydropower is renewable energy, under the terms of Goal 7, but undermines biodiversity and the protection of nature on land (Goal 15). The shift towards renewable energy may hamper the priority given by some countries to ensuring that people have access to electricity. Transport policies allow the pollution of cities, which is inconsistent with Goal 3, on good health and well-being, and Goal 11, on sustainable cities.

14. Another example of this is the incoherence between sustainable and inclusive economic development, as promoted in Goal 8, and the fact that national economic policies are usually designed based on the growth of gross domestic product (GDP). Africa's high economic growth over the last 15 to 20 years has been considered good news. However, this growth has not ended the vicious cycle of poverty or ensured inclusive prosperity. Focusing economic growth (Goal 8) on GDP parameters contradicts, among others, Goals 1 (the eradication of poverty) and 10 (reduction of inequalities). Italy is the first country in Europe to adopt a set of development indicators that complement the Sustainable Development Goals and focus on equitable and sustainable well-being, thus implementing target 17.19. These indicators are now being used to monitor and validate government budgetary policies.

15. Institutional coherence can be defined as normative integration of institutional arrangements. It is a means to achieve policy coherence, which is a means to achieve better policy outcomes. The Committee concluded in 2015 that institutional constraints to policy coherence typically include overly hierarchical structures, the lack of a common strategic policy direction and sectoral self-interest. These structural challenges can be compounded by inadequate mechanisms for allocating resources for cross-cutting issues and ensuring shared accountability for shared responsibilities (see E/2015/44-E/C.16/2015/7, para. 55). There are also often tensions between national policy developers and local policy implementers. These challenges exist, to

[3] David O'Connor, James Mackie, Daphne Van Esveld, Hoseok Kim, Imme Scholz and Nina Weitz, "Universality, integration, and policy coherence for sustainable development: early SDG implementation in selected OECD countries", World Resources Institute working paper (Washington, D.C., World Resources Institute, 2016).

differing degrees, even in countries where there are clear regulatory mechanisms for the budget across the different levels of government.

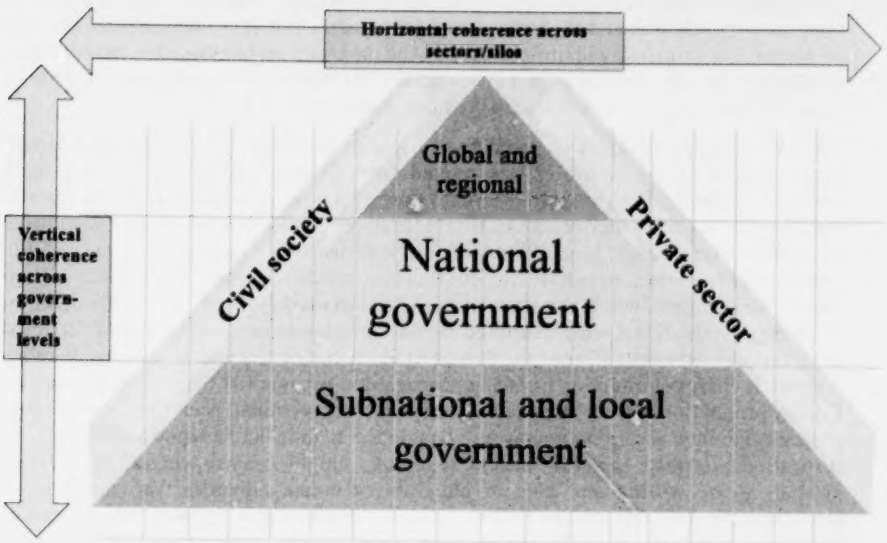
16. Flaws in institutional coherence are responsible for governance failures, including lack of policy coherence, fragmentation of organizations responsible for complex policy challenges, and competition and undermining actions by different administrative organizations. Appropriate institutional coherence requires formal or informal arrangements. In order to prevent policies from undermining each other, leadership is required to establish appropriate reporting lines and guidance on competition for the budget. Good policy coherence may still emerge, even when institutional conditions are not supportive, but the benefits may not last long when different institutions (e.g., sectoral ministries) do not cooperate. This can be even more problematic when there are different political parties in government at the local, regional and national/federal levels and institutions are being used for political purposes.

17. The policy and institutional dimensions of coherence are aspects of sustainability governance and are highly interrelated. To some extent, they are interdependent. Some degree of institutional coherence is a precondition for policy coherence. Policy officers from transport and environment ministries should be stimulated to work together on traffic congestion, for example. However, policy coherence may also be needed to promote institutional coherence. When ministers from different policy fields agree on a common policy approach, the administrative organization must facilitate its implementation institutionally. One of the inherent problems is that both policies and institutions tend to lose effectiveness over time. The logic they are based on (policy theories or institutional logic) may not apply anymore to changed circumstances after 10 or 20 years. For example, building dikes is a good option to protect against water, unless water levels continue to rise, in which case policy theory should change to work with, instead of against, water, creating "room for the rivers" (Netherlands). An institutional logic that produces clearly defined silos — which are beneficial for accountability — may need to change to facilitate cross-sectoral programmes. The promotion of coherence should therefore be a dynamic challenge. Similarly, coherence issues take different forms during the policy cycle. A coherent national policy and institutional framework to address climate change may face incoherence during implementation at the subnational level; conversely, local initiatives may be hampered by lack of coordination between national ministries and agencies.

18. In order to improve policy effectiveness, institutional coherence may require improvement, for example, by creating interdepartmental project or programme teams or a matrix type of organization and/or using a cluster approach. Quite often, the merging of departments is considered a quick-fix to promote coherence. It is clear that climate and energy policies should be integrated as much as possible and, in several countries, this has resulted in the merging of those themes under one ministry. However, it is not at all clear if, and under which conditions, such a merger leads to better handling of the nexus of climate and energy, and if this approach is appropriate for countries in which there is a scarcity of energy.

19. Experience shows that efforts to promote policy and institutional coherence should focus on: (a) horizontal challenges across sectors, by, among other things, overcoming silo-thinking; (b) vertical challenges across levels of administration; and (c) involving civil society and the private sector in all stages, from policy design to implementation and evaluation (see fig.).

Policy and institutional coherence for the Sustainable Development Goals, horizontal, vertical and inclusive



20. In order to address the lack of policy and institutional coherence, strategic approaches and tools that can cover both challenges simultaneously are needed. In the present paper, nine approaches or intervention types are suggested as potentially helpful, as they have proven to be useful in practice: coordination; integration; alignment; multilevel governance; compatibility; reconciliation; reform; capacity-building; and empowerment. Those approaches are discussed in section IV below. In section III, the specific coherence needs of the Sustainable Development Goals to be discussed in depth at the 2018 meeting of the high-level political forum for sustainable development are reviewed briefly.

III. Coherence as a governance challenge for the Sustainable Development Goals: examples from five of the Goals

Goal 6: clean water and sanitation

21. Goal 6 has two governance targets, 6.a, on international cooperation and capacity-building support to developing countries in water- and sanitation-related programmes, and 6.b, on strengthening the participation of local communities in improving water and sanitation management. One of the specific challenges in this area, which is traditionally dominated by technical discourse, is that institutional dimensions of water management and decision-making do not effectively take into account the needs of poor households. The result has been that poor households are not connected by water suppliers or have not applied for a connection. This is an example of the need for more vertical policy and institutional coherence, as well as the need to encourage informal action by non-governmental actors to support poor households.

Goal 7: affordable and clean energy

22. Energy is essential for development and requires bold thinking from both the governance and the access perspectives. The aim of target 7.a is to enhance access to clean energy research and technology and promote the relevant investments. The aim of target 7.b is to expand infrastructure and upgrade technology for modern and sustainable energy services, in particular for the least developed countries, small island developing States and landlocked developing countries.

23. With respect to target 7.1, on universal access to energy, it is relevant that energy production in many countries has moved from (local) public service to private enterprises, followed by a scaling-up into powerful power companies that are almost monopolies. As a counter-reaction, local initiatives have emerged in many countries to decentralize energy production and make renewable energy again part of the commons. In some countries, a governance transition has taken place, from hierarchical governance at the state or local level to market governance (privatization of energy production), which resulted in market failures, and then back to the local level through networks steered and owned by local authorities and/or citizens. In other countries, energy production has been privatized to monopolist firms from the outset. Energy production and consumption are largely cross-national; accordingly, increased policy coherence across nations would enable the scaling-up of renewable energy. In institutional terms, universal access to energy might require centralized energy systems to be willing and able to integrate or create alliances with small local initiatives. Sustainable energy programmes in Croatia and Mongolia, where market (private), network (collaborative) and hierarchical (centralized) governance mechanisms were combined, have been identified as successful. In a case of successful regulatory efforts, Ghana managed to reduce substantially the electricity consumption from refrigerators in homes without air-conditioners, which accounted for about 70 per cent of electricity consumption and caused power shortages.

24. The situation described above also applies to target 7.b, on expanding energy infrastructure and upgrading energy technology. In many cases, energy infrastructure policy is strongly influenced by market forces and financial and geopolitical priorities. The achievement of Goal 7 in the full spirit of the 2030 Agenda might require a stronger regulatory influence from Governments as well as from bottom-up initiatives (leaving no one behind). In addition, policy and institutional coherence debates should be linked to existing global initiatives on energy, such as Sustainable Energy for All and the Global Covenant of Mayors for Climate and Energy.

Goal 11: sustainable cities and communities

25. Goal 11 has three governance targets: 11.a, on improving national and regional development planning to link urban and non-urban areas; 11.b, on promoting integrated policies and plans towards inclusion, resource efficiency, mitigation of and adaptation to climate change and resilience to disasters, and developing and implementing holistic disaster risk management; and 11.c, on supporting least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials.

26. Cities are hotspots of innovation and wealth, but also of extreme poverty. In Africa, Asia and Latin America there are rapidly growing cities in which sustainability is not yet a high priority. On the positive side, many cities have become leaders in addressing climate change, other environmental issues and social challenges. One of the big challenges is vertical coherence between national and local policies and institutional arrangements and mandates. A general complaint from big cities that are leaders in sustainable development is that that their national Governments are blocking progress, among other things because of their bureaucracy.

27. The general pull towards cities has weakened the sustainability of rural areas and created large peri-urban areas. The relationship between urban, peri-urban and rural areas is a challenge to horizontal coherence. An example of good practice is Cape Town, South Africa, where the mayor organizes monthly meetings with underresourced municipalities in the peri-urban areas, with the aim of enabling those municipalities to benefit from the purchasing power of the larger metropolitan area by acquiring needed equipment and services at lower prices. Other forms of cooperation are also discussed at those meetings.

28. In addition, informality characterizes many of the sustainability initiatives at the community level. Accordingly, endogenous development, based on existing traditions, values and leadership within communities, deserves a prominent place as an alternative to development based on initiatives that come from outside of the communities.

Goal 12: responsible consumption and production

29. The aim of Goal 12 is to ensure sustainable consumption and production patterns, which requires systemic change. Indeed, Goal 12 is far-reaching in terms of the economic sectors and actors it involves. National Governments are expected to take the lead on sustainable consumption and production, promote efficient use of natural resources, halve food waste, achieve sound management of chemicals and wastes, reduce waste, promote sustainable public procurement and ensure better information availability. Private companies, especially large and transnational companies, are expected to adopt sustainable practices and integrate sustainability information into their reporting cycles. In his 2017 report on progress towards the Sustainable Development Goals (E/2017/66), the Secretary-General expresses concern about the increasing use of natural resources worldwide, in particular in Eastern Asia — a trend contrary to the fulfilment of Goal 12 — and about weak implementation of international agreements on hazardous waste and persistent organic pollutants. The policy targets under Goal 12 are supported by three governance targets, on science and technology, monitoring tools for sustainable tourism and removing market distortions, including by restructuring taxation and phasing out environmentally harmful subsidies.

30. The achievement of Goal 12 requires a strong national framework for sustainable consumption and production that is integrated into national and sectoral plans and sustainable business practices and consumer behaviour, together with international norms on the management of hazardous chemicals and waste. A potential governance failure would be to consider the transition to the circular economy and to corporate social responsibility mainly as an informal network governance challenge, with market mechanisms being able to deal with the more difficult challenges. Such an approach does not take into account the weaknesses of network governance, such as lengthy discussions, lack of rules and lack of democratic accountability. Support from hierarchical (regulatory) governance mechanisms may be needed. It is a rule of thumb that when a governance framework is malfunctioning, adding something from a "neglected" governance style may improve the situation. In the case of Goal 12, a stronger role for Governments and their legislative branches would improve the effectiveness of the existing voluntary approaches. This means that, in terms of policy and institutional coherence, voluntary and informal initiatives and agreements between the Government, the private sector and civil society (e.g., "green deals") should be embedded in a regulatory coherence framework that sets out the rules of engagement between different parties. As regards the role of business, it is becoming clear that businesses that have signed up for corporate social responsibility want to be a part of the implementation of the Sustainable Development Goals. Various corporate social responsibility networks, such as the International

Network for Corporate Social Responsibility, which works mainly in African countries, have come to understand that high quality in government and governance is fundamental to reaching their objectives.

Goal 15: life on land

31. Goal 15 contains three governance targets: 15.a, on financial resources to conserve and sustainably use biodiversity and ecosystems; 15.b, on financing sustainable forest management and providing adequate incentives to developing countries to advance such management; and 15.c, on enhancing global support for efforts to combat poaching and trafficking of protected species, including by increasing the capacity of local communities.

32. Goal 15 emphasizes the need to increase finances for the conservation of biodiversity and ecosystems. However, this can be an ineffective strategy, or at least low value for money, when there are, at the same time, undermining and contradictory policies in other areas, such as agriculture, transport and infrastructure, mining and economic development. Policy coherence, supported by institutional coherence, is therefore crucial, and strong leadership at the central level seems to be a precondition.

33. All of the Sustainable Development Goals are interlinked, and coherence is a challenge across all of them. Goal 1, on ending poverty, requires policy and institutional coherence with Goals 8, on growth and jobs; 10 on reducing inequality; and 12, on sustainable consumption and production. Moreover, Goal 1, on ending poverty, requires the prioritization of Goal 6, on water and sanitation, and Goal 7, on energy.

IV. Approaches for promoting policy and institutional coherence for the Sustainable Development Goals

34. The table below gives an overview of nine types of intervention to improve coherence, with a selection of examples. The nine interventions are described in more detail in the paragraphs below.

Types of intervention for the promotion of policy and institutional coherence for the Sustainable Development Goals: examples of successful practice

Type of intervention	*Examples of good practice in the promotion of policy (P) and institutional (I) coherence*
Interventions inspired by hierarchical governance	
Coordination: structured cooperation guided by principles/rules	Structured involvement of parliament (Argentina, Ethiopia, Germany, India, Trinidad and Tobago) (I)
	High-level coordination arrangements in the government (I)
	National strategy for the implementation of the Sustainable Development Goals (many countries) (P)
	Voluntary national reviews on the Sustainable Development Goals (P)

Type of intervention	*Examples of good practice in the promotion of policy (P) and institutional (I) coherence*
Integration: taking into account another policy or merging policies or institutions	Green public procurement policy (integration environment and the economy) (Netherlands and European Commission) (P)
Alignment: mutual adaptation of policies/ institutions, through formal or informal collaboration	Introduction of policy clusters across departments and with non-governmental actors (Cabo Verde) (P and I)
	Periodic meetings of mayors of a metropolitan city and surrounding communities (South Africa) (P)
Multi-level governance: structured collaboration between administrative layers	Mainstreaming the Sustainable Development Goals at the subnational level (Denmark, Maldives, Nepal and Netherlands) (P)
	National sustainable development commission, including all levels of government (Belgium and Brazil) (P and I)
Interventions inspired by network governance	
Compatibility: making contrasting policies/ institutions work together while maintaining their character	"Green deals" between the Government, businesses and civil society (Netherlands) (I)
Reconciliation: resolving conflicts, while achieving better collaboration	Bridging tensions in conflict areas through environmental management (wastewater treatment in Cyprus) (P)
Capacity-building: coaching/training and creating ownership for policy and institutional coherence	Capacity-building activities offered to stakeholders (Indonesia) (P and I)
	Sustainable Development Goals Lab: joint problem solving via co-production (Brazil) (P)
	Strengthening of local public finance management systems (Honduras) (I)
Interventions inspired by market governance	
Public-sector reform: changing the form, structure and/or culture of public sector organizations	Sustainable standards at the national stock exchange (Botswana, Indonesia, Japan and Nigeria) (I)
Empowerment: mandating people to work together across or beyond departments and levels	Interdepartmental project teams or directorates (many countries) (I)
	Interdepartmental "dossier teams" to increase policy coherence (Netherlands) (I)

Coordination

35. Coordination, or structured cooperation guided by principles/rules, is the best known approach to promote coherence. It may be more effective, efficient and faster to create working arrangements between institutions representing policy sectors to coordinate policies and institutions than to start a formal reorganization process to merge them. Reorganizations are typically accompanied by a long period of tension and confusion. A number of countries have created inter-agency/ministerial (high-level) committees to deal with nexus issues and better integrate policymaking. In Bhutan, the Gross National Happiness Commission, which is chaired by the Prime Minister, oversees policy as well as institutional coherence with a view to sustainable development. In other countries, the lead is with various ministries, such as planning (Togo), foreign affairs (China and Egypt), finance (Brazil and Liberia), energy (Maldives) regional development (Ukraine) or environment/sustainable development (Belgium). The synthesis reports of the voluntary national reviews at the high-level political forum on sustainable development[1] provide a rich sample of high-level coordinating structures, which are sometimes anchored in the constitution (Belgium and Bhutan) or an act (Luxembourg). Some countries have a high-level coordinating committee chaired by the Prime Minister (Costa Rica). Some have appointed a high-level coordinator with an oversight role on coherence (Bangladesh and Nigeria).

Integration

36. Another popular approach to achieve coherence is integration. Integration implies taking into account another policy or completely merging policies or institutions. This can be a means to improve coherence and consistency, but it is not the only means by far. Horizontal policy integration is best suited to deliver the coherence requirements of the Sustainable Development Goals at the national, regional or metropolitan strategic planning levels. It consists of mainstreaming a certain aspect into all relevant policies. Policy integration may be needed to tackle complex sustainable development challenges, such as the nexus of water and agriculture or the nexus of energy and transport.

37. Sustainable development is itself an integrated policy concept with economic, social and environmental dimensions. The constitutions of Bhutan, Belgium and other countries call for the integration of sustainable development in all policies. The Treaty on the Functioning of the European Union contains a key article on environmental integration in all sectors, with a view to sustainable development. Institutional integration typically has the connotation of the merging of departments. The merging of environment and infrastructure policy into one ministry, for example, may help solve traffic congestion and air pollution problems, but it is no guarantee of success. The merging of agriculture and environment into one ministry has resulted in more policy coherence in some countries and in undermining environmental policies in others. The integration of the monitoring function of the policy areas, including statistical or data collection, is a potentially powerful approach. This could render correlations between two policies more visible, which is especially relevant when they are counterproductive.

Alignment

38. Policy alignment is a lighter approach, in institutional terms, to promoting coherence. It entails the mutual adaptation of policies/institutions in order to create synergies or prevent them from undermining each other, by creating partnerships or alliances between key governmental actors and between governmental and

non-governmental actors, for example. A precondition for this approach is to overcome fragmentation by breaking down mental silos within the government and in the relations between the government and stakeholders, by organizing informal meetings, building mutual understanding and trust, and thereby creating a platform for fruitful collaboration (mutual gains approach). This could also allow for "ambassadors" or multipliers that are the first groups of stakeholders to be on board.

39. Alignment should not be confused with the wider call for breaking down institutional silos: without institutional silos there is less focus, structure, accountability and transparency. Civil servants ought to be encouraged and mandated to discuss sustainability challenges more openly with other actors, including non-governmental stakeholders. Policy alignment can be an efficient way to introduce simple measures, when there is no need for large interventions, and it can pave the way and create support for larger transitions. Examples of such interventions are knowledge-sharing, experience exchange and championing. New developments, such as blockchain technology, could require or force alignment, leading to a need for capacity-building for new technologies.

40. A good practice example of policy and institutional alignment is the introduction of a cluster-based approach within government and in the relations with the private sector and civil society. A cluster is, in Michael E. Porter's well-known definition, a "geographically proximate group of interconnected companies and associated institutions in a particular field, linked by commonalities and complementarities".[4] Clustering triggers monitoring and reporting about policy impact beyond the existing silo structures. It offers a framework through which policy objectives and incentives for the coordinated area can be aligned and different interests associated with different stakeholders (public and private) can be aggregated. Practical tools duly integrated on a unified platform where all departments/sectors are linked can provide the basis for a higher-quality decision-making process and consequently for policy and institutional coherence anchored in an efficient mechanism of resource allocation (budgeting-programming).

41. From a public policy and institutional standpoint, a cluster-based approach is a powerful tool to identify and manage institutional hurdles to competitiveness and innovation through dialogue among all stakeholders. The cluster-based approach is a good basis for forging partnerships in various areas, such as infrastructure, research, training and regulation, making possible an integrated and coordinated approach. In the European Union, the declared objective of launching an integrated European maritime policy has led to the creation of national clusters within the European Union as a mean to assure policy and institutional coherence. In Cabo Verde, the national medium- to long-term development strategy has been structured in clusters such as the sea, aero-business, information and communications technology and tourism. The aggregation factor in the case of the sea cluster was the country's geostrategic position as an element of competitive and comparative advantage. The sea cluster functioned as a platform, during the planning-budgeting exercise, involving all stakeholders in defining the policies, which contributed to some coherence.

Multilevel governance

42. Multilevel governance, or structured collaboration between administrative layers, is a special form of policy alignment, which is relevant for all of the

[4] Michael E. Porter, "Location, competition and economic development: local clusters in a global economy", *Economic Development Quarterly*, vol. 14, issue 1 (February 2000).

Sustainable Development Goals. For multilevel governance to function well, the responsibilities of subnational authorities need to be clearly defined and their resources and skills need to be in line with their responsibilities. In addition, the quality of the interaction between different levels of government highly influences their effectiveness.

Compatibility

43. Because policy or institutional incoherence is rooted in cultural values or traditions, and in many countries the composition of the population is far from homogenous, ensuring compatibility can be a good approach. Compatibility entails making different/contrasting policies/institutions work together, while keeping their basic differences (e.g., underlying values and objectives) intact. The existing (and growing) cultural pluralism in most countries is often seen as a threat to sustainable development, especially social sustainability. The dominant attitude therefore has been that assimilation of cultural and ethnic views (often euphemized as integration) should be promoted. This ignores the fact that sustainability governance is grounded in cultural values as drivers for social transformation. An alternative approach could be to focus, not on communality or commonly shared values, but on compatibility.[5] The compatibility approach recognizes that there are (in principle, valuable) differences, which may cause tensions and incompatibilities. These differences should not be removed, but rather regulated. This requires that the government safeguard consistently the values of empathy, tolerance and appreciation of pluralism.

Reconciliation

44. The reconciliation approach is related to the accommodation approach. When policy or institutional incoherence is accompanied by long-standing disputes between policy sectors and departments, the reconciliation approach can be helpful. Conflict remediation and training in mutual gains approaches can be applied. Leadership is needed to identify the moment for intervention and to manage those approaches and processes.

Capacity-building

45. There is a huge need for investment in capacity-building to create understanding and ownership for the promotion of policy and institutional coherence. This includes coaching and training in having a more holistic view, in understanding the full scope of the Sustainable Development Goals, in the diplomatic skills and mutual gains negotiation skills needed to overcome conflicts of interest which prevent policy coherence and in modern administrative principles and tools. New kinds of policy instruments need to be developed and tested in addition to the classical rules, taxes, incentives and funding, among other things. Public administration schools and training organizations should take the lead on this. Peer coaching programmes could be developed among Governments from different countries.

Public sector reform

46. Public sector reform, or changing the form, structure and/or culture of policies or institutions, is the most drastic approach. Recent reforms have focused on outsourcing, efficiency gains and productivity gains, as in the private sector. Such reforms often include mergers/integration of departments or outsourcing tasks to

[5] See Arie De Ruijter, "Cultural pluralism and citizenship", *Cultural Dynamics*, vol. 7, issue 2 (1995).

agencies, which can back-fire in terms of promoting coherence. Public sector reforms guided by cost-saving may lead to the dissolution of arrangements established to involve stakeholders and the wider citizenry, which is contrary to the 2030 Agenda principle of leaving no one behind. There is a wide body of academic literature on public sector reform from a comparative perspective from which lessons could be drawn.[6] One of the lessons is that public sector reform for promotion of coherence should focus less on efficiency and more on effectiveness. This includes developing new partnerships and other organizational structures that better connect internal silos and link internal and external actors. Information and communications technology is contributing to this shift.

47. Moreover, public sector reforms should be focused on delivering the Sustainable Development Goals. An efficient, effective and innovative public sector administration does not automatically produce more sustainable results. Implementation of the Goals and the requisite levels of coherence should be part of any reform programme. As such programmes may span several years, consideration should be given to redirecting the ongoing reforms to better deliver on the Goals.

48. A good example of how coherence can be promoted through public sector reform is the introduction in Cabo Verde of a structured planning-budgeting system. The aim of target 17.13 of the Sustainable Development Goals is to enhance global macroeconomic stability, including through policy coordination and policy coherence. The achievement of macroeconomic stability requires policy and institutional coherence on a consistent and long-term basis. Planning-budgeting systems are indispensable frameworks for achieving such a goal, taking into account that such systems, once in place, positively pressure organizations to adopt new procedures and processes (organizational reengineering) for delivery. Coordination, integration, alignment and other types of intervention can be made available within a specific planning-budgeting system to manage the decision-making process for efficient and effective delivery. The achievement of policy and institutional coherence through planning-budgeting systems requires the adoption of the following tools: (a) a definition of a medium- to long-term vision/plan on a participatory basis adopting a cluster approach; (b) a medium-term debt strategy (the sustainable financing strategy that guarantees macroeconomic stability within the vision/plan); (c) a medium-term fiscal framework; (d) a medium-term expenditure framework; (e) a plurennial budget/programming; (f) monitoring and evaluation systems; and (g) a results-based management approach.

Empowerment

49. Empowerment entails mandating people to work together across departments and giving people in the lower ranks of the hierarchy responsibilities and discretionary power to take appropriate decisions. This type of intervention follows the logic that people working close to the policy and institutional challenges are the best placed to assess what should be done in many non-standard situations. These "street-level bureaucrats" include police officers, teachers and health workers. Policy officers implementing the Sustainable Development Goals at the various levels of administration could be given similar discretion.

[6] See, for example, Christopher Pollitt and Geert Bouckaert, *Public Management Reform: A Comparative Analysis: New Public Management, Governance, and the Neo-Weberian State*, 3rd ed. (New York, Oxford University Press, 2011).

V. Underlying principles and practical tools for promoting policy and institutional coherence

50. There is no general blueprint for promoting policy and institutional coherence for the Sustainable Development Goals, as the circumstances of the States Members of the United Nations are too different. Successful practices from elsewhere should be handled with care, as what is successful in one country can be a failure in another. Therefore, it is more accurate to call such successes inspiring examples or good practice, rather than best practices.

51. The various approaches to policy and institutional coherence should be implemented through mechanisms and tools that have proven to work well in a specific country. Tools to promote coherence are no exception to the rule that tools are never value-neutral: they are based on assumptions about the role of government and about when legal or non-legal instruments should be used, among other things. The values and assumptions behind effective instruments and tools often align with the organizational culture of government departments, which often reflects the views, values and assumptions basic to the national culture and tradition. This makes understanding the cultural identity and diversity within and between countries a requisite for effective governance for coherence with respect to the Sustainable Development Goals. At the same time, global governance structures are ever more interlinked, pushed by digital technologies and the data they generate and the fact that the data can flow easily. Therefore, striving for the common goal of policy and institutional coherence requires differentiated governance on the ground.

52. Current insights in administrative effectiveness and sustainability governance, in particular, suggest that the problem of incoherence may not only be caused by the existence of overly hierarchical structures. Hierarchy can be the problem, but it can also be a solution. In non-hierarchical countries, rules may be needed to steer the discussions between stakeholders and the government, just as a centralist government could profit from the knowledge and the acceptance resulting from the involvement of stakeholders. A market-liberal country may promote highly efficient but ineffective mechanisms for coherence, following the motto that "less is more". When, for example, a ministerial national cadastral office with an annual turnover of €300 million was turned into an agency, the politically important interface function between ministry and agency was reduced to one staff member for cost-saving reasons, which created an institutionalized risk of coherence problems.

53. It is possible to cluster the mechanisms and tools for policy and institutional coherence into three groups with more or less similar underlying values, namely, hierarchical, network and market governance tools. Hierarchical governance tools usable for promoting coherence include rules, coordination procedures, monitoring of compliance and provisions to ensure accountability. Examples of network governance tools are establishing or supporting partnerships and informal alliances and organizing peer support and peer review. Market governance entails the use within and by the government of tools typically used by economic operators. These tools include: efficiency measures to eliminate red tape hindering coherence; the empowerment of policymakers; allowing better cooperation; creating agencies; privatization; financial incentives or taxation; and public procurement.

54. The promotion of coherence requires having all of these tools or mechanisms available in one "toolbox" and using them in ways that are compatible with national/organizational cultures and are, at the same time, as innovative as possible. This can be challenging when one specific governance style is predominant in a country or

administrative organization; the skills to operate the other tool families may need to be developed.

55. Tools for coherence may need to be applied in combination. A partnership approach across policy sectors may require a formal agreement or rules. Keeping a legal obligation or reorganization as a last — but visible — resort may motivate relevant actors to work together on a voluntary basis. Combining governance tools into a dynamic framework requires thinking from multiple perspectives. This "metagovernance" (governance of governance) approach has emerged as a successful model to reduce the number and mitigate the impact of governance failures.[7]

56. In addition to being aware about all the available tools, responsible administrative leaders need to have open minds and clear mandates to select and combine tools from different governance styles into an operational governance framework for policy coherence and appropriate institutional arrangements.

57. In the future, there will be better ways to follow the real-time impact of policy decisions and flexibly adjust them. One example of this kind of adjustment that has already emerged is the redirection or restriction of traffic when pollution levels are too high. Policy simulation tools will allow policymakers to change certain parameters in their policy toolbox mix and then see what the impact may be. What could be the impact, for example, of a 1 per cent tax increase?

58. More specifically, it could be worthwhile to consider using an impact assessment tool to determine the potential benefits and costs of measures aimed at improving policy or institutional coherence. Currently, legislation and policies undergo such (regulatory or other) impact assessments, but for measures aimed at the achievement of coherence this is still the exception, despite the fact that the societal and other costs of failed attempts to promote coherence can be huge.

59. The promotion of policy and institutional coherence requires the involvement of all stakeholders: the government, public administration entities, universities and research entities, the private sector, civil society organizations and international partners, among others. By adopting institutional arrangements for policy coherence, such as the aforementioned cluster-based approach within a planning-budgeting system, policy areas can be created, in which, through a common denominator, all stakeholders' visions and interests can be integrated or aligned. All stakeholders would have access to a platform dedicated to dialogue and the identification of innovative and disruptive solutions. This, however, requires a strong information system. In the past five years, information systems have been challenged with the big data concept. Big data is already a reality in the developed world. Societies have become information societies in the sense that billions of bytes are produced and captured by different platforms on a daily basis. The challenge is to create information systems that capture this information for the general good. For example, in the case of Africa, big data is providing the opportunity to leap-frog some of the intermediate development phases by providing farmers with greater access to timely, cost effective and personally relevant information on best practices, markets and prices.

60. The promotion of coherence is a particular challenge for so-called fragile States. Fragile States face problems in a wide range of domains, such as physical security, legitimate political institutions, sound economic management and the delivery of social services. Policy coherence for the Sustainable Development Goals in such

[7] See Louis Meuleman, *Public Management and the Metagoverance of Hierarchies, Networks and Markets* (Heidelberg, Germany, Physica-Verlag, 2008).

countries is linked to challenges in the areas of security, crime and the legitimacy of government interventions. Network governance tools for coherence will be difficult to apply in such States. According to the 2017 ranking of the think tank The Fund for Peace, only 54 (29 per cent) of the 178 States that are currently being monitored can be considered very sustainable, sustainable or stable.[8] According to the Fund, approximately 70 per cent of the countries monitored fell under the categories of "warning" and "very high alert" with respect to fragility. Specific arrangements may need to be considered, such as twinning projects between countries or mobilizing support from private sector and civil society organizations that are pursuing corporate social responsibility.

61. What has not shown to be the best way to achieve long-lasting change is the outsourcing of policy and institutional innovation. Outsourcing prevents internal learning and the creation of ownership. The traditional call for external (consultancy) support to prepare and propose strategic innovation should be replaced, where possible, by coaching on the job. That way, the implementation of interventions to promote coherence will contribute directly to capacity-building. Learning from difficult tasks should be in-house, while less complicated work could be outsourced.

62. For the small island developing States, in many cases, the scale is too small to develop or hire the necessary expertise to introduce tools to promote coherence. Measures to create economies of scale through close collaboration, with the support of information and communications technology, may be needed. The small island developing States are among the most vulnerable developing countries, and their vulnerabilities are unique and particular. Smallness can be an advantage for policy coherence; greater personal contact, for example, can facilitate closer communication among public servants in different ministries.

63. Finally, in a number of countries, political administrations change frequently, with or without elections. The specific challenge in these situations is the absence of long-term consistency. Where it is the tradition that many civil servants are replaced after a new government comes into power, it is difficult to maintain the quality of the administration at a high and constant level. These changing situations happen in both developed and developing States, particularly where the democratic system is of the majoritarian type found in many countries. As regards both policy coherence and institutional coherence for the Sustainable Development Goals, this is an unfortunate systemic issue, for which, however, solutions have emerged. For example, investing in the whole of parliament may be a good approach to prevent disruption after a change of government, as has been shown in Jamaica. In Trinidad and Tobago, the Parliament has established a Joint Select Committee on the Environment and Sustainable Development and has committed to help implement the Sustainable Development Goals through all acts of legislation, including budget allocation.

64. Any work programme for promoting policy and institutional coherence should: (a) be light, clear and not overly complicated; (b) be based on an analysis of how to combine several approaches, principles and tools for policy and institutional coherence which are synergetic and do not undermine each other, in a particular case (country, subnational area, city); and (c) include a mechanism for learning from successful and unsuccessful practices in both different and similar countries.

65. The promotion of coherence will not work without learning from each other. Implementation of the Sustainable Development Goals by 2030 is so urgent and demanding that we should try to avoid re-inventing the wheel. It is therefore recommendable to redirect existing peer review, peer learning and twinning projects

[8] The Fund for Peace. Fragile States index. Available from http://fundforpeace.org/fsi/data/.

and programmes related to the Goals in order to dedicate a substantial percentage (for example, 10 per cent) of the resources to learning and exchange for the promotion of coherence. Peer-to-peer learning is a cost-effective example of such learning tools. The introduction of a global peer-to-peer learning tool for the promotion of coherence should be considered. The tool would finance the travel and accommodation costs of experts from one country who are willing to advise another country, at its request, through expert missions, study visits or small workshops. The peer-to-peer tools established by the European Commission for implementation of European Union environmental and regional development policies represent a good practice, including on promoting coherence.

66. In addition, it would be recommendable to establish a global network of national coherence promotion coordinators to enable discussion and exchange information on successes and failures. Several countries (such as Nigeria) have already appointed coordinators for the Sustainable Development Goals at a high level, with coherence as part of their remit.

VI. Recommendations

67. The following 10 recommendations are proposed to promote policy and institutional coherence for the Sustainable Development Goals. They focus on national Governments, but are also relevant at other levels. The implementation of the recommendations requires sponsors, early adopters and supporters among United Nations bodies and Member States, as well as other stakeholders.

Principles for better coherence

1. **Promote policy coherence always in synergy with the promotion of institutional coherence.** To do this, strategies and concrete tools are needed that both cover challenges and prevent contradictions. Public sector organizations should have these tools within reach.

2. **Adapt measures for the promotion of coherence to the specificities of Sustainable Development Goals and to the context in which they will be implemented.** The principle of "'common but differentiated governance"[9] fully applies to policy and institutional coherence: coherent and differentiated practices should go hand in hand.

3. **Involve the private sector, civil society and the academic world in concrete action for the promotion of coherence.** This will bring in indispensable partners with essential knowledge about what works where and when. This is all the more important because private-private (business and civil society) partnerships across sectors are emerging.

Planning, design and implementation for better coherence

4. **Develop national work programmes for the promotion of coherence.** Such work programmes could contain objectives and tools for the short, medium and long term and be informed by an assessment of how to combine various strategies and tools for policy and institutional coherence which are synergetic and do not undermine each other. The work programmes should include a

[9] Meuleman, L., and Niestroy, I. (2015). Common But Differentiated Governance: A Metagovernance Approach to Make the SDGs Work. *Sustainability* 12295–12321.

mechanism to monitor their effectiveness and should not create additional administrative burden.

5. **Combine multiple approaches to the promotion of coherence.** There are various ways to promote coherence. There are nine approaches mentioned in the present paper: coordination, integration, alignment, multilevel governance, compatibility, reconciliation, capacity-building, reform and empowerment. They should be considered in a synergistic way.

6. **Combine complementary coherence tools.** Select and combine coherence-promotion tools from hierarchical (regulatory), network (collaboration) and market (efficiency/incentives) governance. The three families of tools express different and sometimes contrasting, but in principle complementary, cultural values, traditions and assumptions. The promotion of policy coherence and related institutional arrangements requires having all these tools available and the skills to use them.

7. **Redirect public sector reform to deliver on the Sustainable Development Goals.** Reforms are currently mostly directed at improving efficiency and effectiveness in general; they need to be redirected to promote policy and institutional coherence to advance the implementation of the 2030 Agenda.

Learning for better coherence

8. **Introduce a global peer-to-peer learning tool for the promotion of coherence.** This would finance the travel and accommodation costs of experts from one country who are willing to advise another country, at its request, through expert missions, study visits or small workshops. It could be based on existing peer-to-peer tools.

9. **Establish a global network (community of practice) of national coherence promotion coordinators.** This would accelerate mutual learning and the exchange of good practices and failed attempts, among those who are responsible at the national level for progress on coherence. Peer coaching programmes could be developed among Governments from different countries. Coaching, also by professional advisors and consultants, could become the new standard to accelerate policy and institutional coherence. Existing networks could be involved, such as the Centre of Excellence for the Sustainable Development of Small Island Developing States.

10. **Training is the basis: national public administration schools should integrate the promotion of coherence for the Sustainable Development Goals as a priority in their curricula.** Other schools and universities should join this effort.

Building capacities and effectively mobilizing, allocating and managing budgetary resources for implementation of the 2030 Agenda

Summary

The 2030 Agenda for Sustainable Development highlights the importance of public finance, both domestic and international, in providing fundamental services and goods. The significance of financing and its means of implementation in the pursuit of achieving the Sustainable Development Goals was underscored in the Addis Ababa Action Agenda and emphasized further in various discussions at the United Nations, including at the Economic and Social Council. The author aims to elaborate on the role of Governments and institutions to effectively mobilize, allocate and manage budgetary resources, and build capacity in the process, with the aim of providing adequate means to support the implementation of the Goals.

With the purpose of presenting a coherent framework, the author summarizes recent historical trajectories, trends and challenges in public finance. Along with background information, lessons learned from previous national experiences and related theoretical discussions are provided, with an emphasis on the structure and efficiency of public finance.

The author discusses tax systems, policies and reforms, while acknowledging tax revenues as the main financial source for the public sector. The duty of Governments to create favourable conditions to support businesses are recalled, as well as the explicit challenge of low fiscal capacity in low-income countries. The vitality of efficiency and the effectiveness of Governments in allocating resources is stressed, while challenges such as political interference in such policies are presented. The management of resources is examined at both the micro and macro level, in addition to challenges in preventing corruption in public procurement, reporting and accounting. The possible contributions of partnerships and participation, e-governance, and sound control and audit mechanisms are described.

The present paper highlights some policy recommendations to address the above-mentioned challenges, with the aim of providing support for the successful implementation of the Goals. The key message from all the recommendations is the urgent need for governmental action with regard to improving tax systems, incorporating modern technologies where needed, promoting the use of analytical tools and data sources, facilitating change through legislation, fostering international aid for low-income countries with low fiscal capacity, implementing effective regulatory impact assessments, formulating medium-term budgetary frameworks, establishing effective public-private-civil partnerships, adopting sound anti-corruption measures and ensuring well-organized accountability mechanisms, including systems of internal and external control and audit systems in the public sector.

I. Introduction

1. The 2030 Agenda for Sustainable Development defines 17 Sustainable Development Goals with guiding principles, provisions and targets related to its means of implementation. The Agenda underscores that public finance, both domestic and international, will play a vital role in providing essential services and public goods. Goal 17 has five specific targets addressing finance; in particular target 3 highlights the need to mobilize additional financial resources from multiple sources to achieve the aspirations of the 2030 Agenda. Public administrations and institutions play essential roles not just in mobilizing but also in effectively allocating and managing public resources.

2. The Addis Ababa Action Agenda, an integral part of the 2030 Agenda, helped to contextualize the means of implementation of the Goals and targets with concrete policies and actions, reaffirming the strong political commitment of countries to addressing the challenge of financing and creating an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity. At the second Economic and Social Council forum on financing for development follow-up, held in New York in May 2017, further commitments on policies and recommendations were made to ensure the comprehensive and timely delivery of the means of implementation of the Goals.

3. Governments have committed to various actions to strengthen the mobilization, allocation and management of domestic resources and have recognized that actions are needed on many fronts. These fronts include promoting sound economic, social and environmental policies; enhancing transparency and participation in the budgeting process; ensuring the fairness, efficiency and effectiveness of tax systems; combating corruption and enhancing the transparency and accountability of the corporate sector and public administration; strengthening national oversight mechanisms; supporting national and regional development banks; and strengthening the technical, financing and technological capacity of municipalities and other local authorities.

4. The present paper is aimed at elaborating on the role of Governments and institutions to effectively mobilize, allocate and manage budgetary resources, and build capacity in the process, with the aim of providing adequate means to support the implementation of the Sustainable Development Goals.

II. Trends in public expenditure

5. After the Second World War, several developed countries started to increase public sector expenditure. This trend of growth in public expenditure continued until the early 1980s. For example, in Sweden, often considered as a social-democratic welfare State, public expenditure increased from about 20 per cent of gross domestic product (GDP) in 1950 to more than 60 per cent in 1980. In the United States of America, a liberal-democratic State, the starting base was similar but with a peak of approximately 35 per cent of GDP.[1]

6. Following this trend, it could be inferred that public expenditure would continue to grow as far as 60–80 per cent of GDP. Nevertheless, it is unlikely that this trend will endure, and some major changes may take place in public finance. The persistent

[1] Stephen J. Bailey, *Strategic Public Finance* (London, McMillan, 2003).

rise in public expenditure, among other problems related to the functioning of the State, led to the proliferation of the new public management ideology in the 1980s in countries such as Australia, New Zealand, the United Kingdom of Great Britain and Northern Ireland and the United States.[2]

7. Public expenditure to GDP ratios remained stable after the 1980s. This trend continued until the financial and economic crisis in 2008–2009. The world economy, and particularly the advanced economies, suffered deep recession in 2009. The shift of the costs associated with public finance has been referred as the "fiscalization" of the financial crisis.

8. Several measures were taken in response to the crisis, including increasing the resources of the International Monetary Fund and enhancing policy coordination between central banks on monetary policy and, to varying extents, between national Governments on fiscal policy. Central banks, including the European Central Bank, engaged in continual cuts in the interest rate to historically low levels, but coupled this with a measure on quantitative easing, which essentially increased the money supply. To achieve this, central banks would buy assets such as government and corporate bonds with money they had created themselves. Financial institutions, through selling assets, would then earn money that had been created by the central bank, thus increasing the overall money supply. In effect, this resulted in fiscal stimulus. The purpose was to boost the economy with fiscal stimulus through borrowing and quantitative easing. These measures would not be considered as classical Keynesian fiscal stimulus, however, since much of the money supply was created to help failing firms and the financial sector instead of to stimulate investment.

9. Massive government interventions were put in place to cope with the consequences of the economic crisis, such as decreasing governmental revenues during the economic crisis, along with long-term factors causing the unsustainability of public finance systems, such as pending pension reforms and increasing health-care expenditure, thus resulting in massive fiscal imbalances. Greece was the first case in which the situation became critical, which could be attributed to the condition of its public finances before the crisis. Some other countries experienced similar challenges.

10. Most Governments reacted in the first phase, while they were still in recession, by increasing taxes and decreasing expenditure. Yet, a standard countercyclical fiscal policy refers to reducing spending and raising taxes during a boom period, and increasing spending and cutting taxes during a recession.

11. On the expenditure side, a majority of the measures were in the form of lump sum (cross-sectional) expenditure cuts, which produced short-term results, while for the most part efficiency improvement measures that could produce long-term results were neglected.

[2] Christopher Pollitt and Geert Bouckaert, *Public Management Reform: A Comparative Analysis — New Public Management, Governance, and the Neo-Weberian State* (Oxford, United Kingdom, Oxford University Press, 2011). Available at https://doi.org/10.1177/0020852312437323.

III. Allocation and management of public expenditure

12. The scope and structure of public expenditure and its impact on economic growth and socioeconomic development have been the subject of theoretical discussions of economic science since its inception and have yet to become obsolete in today's context. The results of such studies indicate in general that the issue is not so much about the sum of expenditures but their structure and efficiency.

13. One idea concerning public finance is the necessity to shrink the size of the State. The argument is based on simple analysis through data and figures relating to GDP and the ratio of public expenditure to GDP. Even though a technical interpretation of such analysis may conclude that the most productive countries should have or need to have a small public sector, such simplification should not be accepted as a rule.

14. Regarding the structure of public expenditure, studies devoted to the efficiency of public spending in certain public sectors, in particular the educational and health sectors, point to the importance of such expenses in relation to socioeconomic development, but only to a certain extent. Their results demonstrate that the relation between public expenditure and socioeconomic development is non-linear. Beyond some threshold level of public spending, further increases in public spending result in only a small increase in socioeconomic development. For example, in education, the use of public funds to support 40 per cent of each university cohort may encourage national growth in general, but supporting 70 per cent could overburden the administration and be counterproductive, depending on the context. Existing studies also demonstrate that there is no singular uniform or optimum level of public expenditure according to the Classification of the Functions of Government.[3] At one extreme, too little expenditure limits the overall fulfilment of sustainable development and the protection of basic human rights; at the other extreme, too much expenditure could simply be ineffective.

15. Today, the world economy is no longer shrinking, but that does not imply that effective measures to mobilize, better allocate and better manage public resources are no longer relevant. Critical responses are needed to meet global public-sector challenges such as ageing and growing expenditure on health care, and to increase resilience and ensure sustainability.

16. There could also be consideration of the need for pension systems to be reformed or developed where relevant. In developing countries, the concern is to assure the provision of acceptable welfare for persons of pension age, whereas in developed countries, the rule of thumb is for pension systems to respect the basic economic precondition of their long-term viability.

17. Reforming health systems could focus on ensuring universal health coverage to all people, as committed to in the Sustainable Development Goals. Achieving such a holistic goal can be achieved through sufficient financing, and is very often possible only through a combination of public and private resources based on the principles of solidarity, health equity and the common good. There are challenges in countries where public health is predominantly supported through private resources.

18. The prevailing trends in public finance are different in developing and developed countries. It is therefore advisable to address each context separately. In

[3] More information available from the Statistics Division at https://unstats.un.org/unsd/itss/Classification-of-theFunctions-of-Government-COFOG.ashx.

developing countries, one of the main challenges is the lack of national public resources to cover the basic functions of the State and to deliver basic public services.

Challenge of low fiscal capacity in low-income countries

19. Low-income countries, especially the least developed countries, are often characterized by insufficient tax-generation capacity. There are several factors causing this situation. Low economic performance measured by GDP per capita is the key factor. World Bank data for 2016 show that there are many low-income countries with less than $500 of GDP per capita, such as Burundi, the Central African Republic, the Democratic Republic of the Congo, Liberia, Malawi and the Niger.[4] Tax evasion and ineffective tax systems can also be important contributing factors.

20. One challenge for Governments in developing countries is also to deliver allocative, redistributive and regulative functions. For example, it is neither feasible nor sustainable for a country with less than $5,000 per capita to have public health expenditure of over $3,000 per capita yearly. It is obvious that the financial base in some developing countries is not sufficient to provide basic public goods and fundamental social security.

21. Effective global development financing is thus essential in the pursuit of achieving well-functioning public finance in developing countries. The Addis Ababa Action Agenda stressed that "least developed countries, as the most vulnerable group of countries, need enhanced global support to overcome the structural challenges they face for the achievement of the post-2015 development agenda and the sustainable development goals". The least developed countries are the most vulnerable. However, despite global financing efforts, some developing countries continue to face challenges.

22. More effective and efficient development aid remains an important challenge, with inherent issues such as project duplication and high project management costs. The goal of delivering social protection and essential public services for all cannot be achieved in the developing world with public finance policies that are not sustainable, given limited internal resources and global development financing. Long-term solutions necessitate the implementation of effective national and local measures in public finance.

23. Countries will need to continue to give priority to basic services, including education, health and job creation, paying special attention to youth, women and vulnerable segments of the population. The processes for job creation could be seen as critical for tax revenues in the future.

IV. Questions relating to the mobilization of resources

A. Tax revenues as the main financial source for the public sector

24. The Committee first discussed resource mobilization in connection with the implementation of the Millennium Development Goals at its first session, in 2002, and deliberated on government expenditure data and on taxation at its third session, in 2004. Some recommendations emanating from past Committee discussions related

[4] World Bank, GDP per capita (current US$), available at https://data.worldbank.org/indicator/NY.GDP.PCAP.CD.

to the areas of tax policy and tax reform, such as determining the optimum level and structure of taxation, ensuring the efficiency of tax collection and administration, preventing tax evasion and tax avoidance, and minimizing the direct and indirect costs of taxation.

25. These areas are still relevant today. Countries need efficient and fair tax systems to raise sufficient revenue to encourage economic and social progress. There is no one-size-fits-all approach, however. In different countries, the tax structure and tax rates differ based on the national context. Local conditions and needs should be considered while respecting the redistributive role of taxes.

26. An efficient and effective tax administration is a basic prerequisite for a tax system to fulfil its potential of generating public revenue. The system of tax administration should be designed to enable the highest possible degree of voluntary taxpayer compliance, and tax laws could be administered efficiently, effectively and fairly, with the highest degree of integrity.

27. Three sets of indicators can be used when evaluating the performance of a tax system: (a) the compliance gap, i.e. the gap between actual and potential revenues; (b) administrative (direct) costs of taxation; and (c) compliance (indirect) costs of taxation.

28. The compliance gap is systematically estimated by some international organizations. For example, the most recent European Union report on the value added tax gap[5] states that 13 per cent of total expected revenue from value added taxes was lost across the economies of the European Union (excluding Cyprus), in 2015, based on available data on consumption taxes (such as value added taxes).

29. The reason for the compliance gaps may vary among countries. The main issue affecting taxation revenue is underreporting of income. Regarding consumption taxes, there are often policy gaps as a result of multiple rates and exemptions applied in different tax systems.

30. According to data from the Organization for Economic Cooperation and Development (OECD),[6] the ratio between the administrative costs of taxation and net revenue collection in OECD countries ranges from 0.29 per cent, as seen in Switzerland in 2013, to more than 3 per cent, as seen in Bulgaria in 2005. Estimates of the administrative costs of taxation should be used only for benchmarking purposes, owing to the methodological problems and volatility of tax revenues.

31. The compliance costs of taxation can only be roughly estimated, as all such calculations are based on simplifications and assumptions. Existing studies indicate that the costs for taxpayers to comply with taxation could be much higher than the actual amount of tax paid by them.[7]

32. Following the above analysis, both national and international actions are necessary to improve tax systems and tax collection. Scaling up international tax cooperation to prevent illicit financial flows and money-laundering is one of the core issues today. For example, initiatives relating to tax information exchange systems

[5] European Commission, *Study and Reports on the VAT Gap in the EU-28 Member States: 2017 Final Report* (Warsaw, Center for Social and Economic Research, 2017).

[6] Organization for Economic Cooperation and Development (OECD), *Tax Administration 2017: Comparative Information on OECD and Other Advanced and Emerging Economies* (Paris, OECD Publishing, 2017).

[7] See, for example, Juraj Nemec, Pavol Čižmárik and Vladimír Šagát, "An estimation of the compliance costs of Slovak taxation", *Economics and Management*, vol. 20, No. 2 (June 2017).

could limit tax avoidance and considerably improve the collection performance of many countries.

33. The OECD Forum on Tax Administration provided a detailed evaluation of the current situation and possible measures. Among other issues, the effective use of data, both nationally and internationally, the management of tax debt and ways of minimizing identity fraud through effective registration and identification were underscored. Some recommendations included the following: collective work on options for the sharing of information on payments made by online intermediaries in the sharing economy; the digital transformation of tax authorities using modern technologies, analytical tools and enhanced data sources; and the importance of collective work to realize the benefits of compliance, service delivery and the reduction of burdens for taxpayers.

B. Creating conditions to stimulate private sector growth

34. Private sector investment and innovation are among the major drivers of productivity, inclusive economic growth and job creation. Governments are encouraged to create an enabling environment to support competitive and inclusive businesses. One of the popular benchmarks used for this purpose is the World Bank ease of doing business estimates. The World Bank also delivers international data sets for two other indicators related to this area, that is, regulatory quality and the rule of law.

35. One precondition for a well-performing private sector is enforcement of the rule of law. The practice of retroactive pieces of legislation and laws and the prevailing trend of tailor-made laws aimed at transforming entire economic or societal sectors within a short time horizon in some countries are likely to create policy challenges in the medium to long term.

36. There is also a perennial problem of excessive regulation, also referred to as red tape. Cutting down on excessive bureaucracy in the public sector is a core issue. Effective regulation and low compliance costs are possible end results. E-governance tools may be useful for this purpose.

37. There are multiple dimensions related to the rule of law. One dimension is accountability, which implies that both the public sector and private actors are accountable under the law. Additionally, the just laws principle indicates that the laws should be clear, publicized, stable and just, which means that they should be applied equitably and protect fundamental rights, including the security of persons and property and certain core human rights.

38. Open government stands for making the processes by which laws are enacted, administered and enforced accessible, fair and efficient. Accessible and impartial dispute resolution relies on the fact that justice shall be delivered in a timely and inclusive manner by competent, ethical and independent representatives who are accessible, endowed with adequate resources and fully representative of the communities they serve.

V. Questions relating to the allocation of resources

A. Improving the allocative efficiency and effectiveness of government

39. Ensuring allocative efficiency is one of the core duties of government. Public funds should be spent for purposeful results that are connected with the role of the State in society. Nevertheless, evidence-based policymaking, systematic programming and policy evaluations are often not supported by institutional arrangements and are therefore not common practices in many countries.

40. In some countries, a majority of allocative decisions are based on political arguments and not on evidence-based policymaking processes. Typical examples are the discontinuity of government policies after a change of government and the implementation of ineffective and unnecessary policies and interventions to gain popularity without necessarily considering the broader context and public interest.

41. Governments are expected to collect and share public data and information, and to seek consultative approaches in policymaking or policy reforms. The increased availability of data, with new research and a growing public interest in policy outcomes and impacts, has given policymakers expanded abilities to determine whether public investments achieve their intended outcomes.

42. In many instances, there exist current or proposed public programmes that do not necessarily increase the overall social and economic welfare. Some countries still offer unlimited access to a free public university system. This may seem to be an ineffective public policy, as experts might suggest that financing university education should be based on a mix of public and private resources.

43. While such programmes can be popular and could bring some benefits to a large group of citizens, they may not seem to be necessary in view of limited public resources. Ideally, the social benefits of public programmes should outweigh their total direct, indirect, monetary and non-monetary costs. To assure this, all existing public programmes should be evaluated for current conditions and all proposed public expenditure should be carefully evaluated ex ante.

44. In certain scenarios, existing and proposed regulations may increase financial burdens both for the State and the private sector. This problem arises in part from a lack of regulatory impact assessments or the formal implementation of such assessments in many countries. Successive laws and amendments should not be passed based on shifts in the attitudes or interests of government ministers, but on the results of effective regulatory impact assessments.

B. Partnerships and participation

45. Partnerships, participation and trust are the key principles of modern governance, which is driven by collective interactions and cooperation among actors from the public and private sector in solving social problems.[8] Numerous terms, such as public-private-civil sector partnerships, public-private partnerships, multi-stakeholder partnerships, cooperation, co-production and co-creation are frequently used today, which indicates that the State needs partners.

[8] Christopher Pollitt and Geert Bouckaert, *Public Management Reform: A Comparative Analysis — Into the Age of Austerity* (Oxford, United Kingdom, Oxford University Press, 2017).

46. Partnership and participation should not be only concerned with service delivery or democracy, but should also have an integral place in budgeting processes on the macro and micro levels. For example, participatory budgeting is fast emerging at the local level and has delivered clear successes in some countries. The increased involvement of all partners and stakeholders in the budgeting and spending processes on all levels is an important and necessary challenge for all Governments.

47. The specific issue with public-private partnerships is that such projects are multidimensional and therefore their success or failure needs to be systematically appraised. The main factors in the success of such partnerships are the existence of an effective legal and regulatory framework, public sector preparedness to realize the partnerships, the realization of effective feasibility studies, proper risk allocation and effective mechanisms for monitoring and evaluation.

VI. Questions relating to the management of resources

A. Achieving fiscal stability

48. Many countries, both developed and developing, continue to have unsustainable public finances. Sustainability is key when managing public finances for both developed and developing countries. Borrowing is possible, but should be used predominantly for investment purposes instead of for supporting current expenditure. The sustainability of public finances, or fiscal sustainability, is the ability of a Government to sustain its current spending, tax and other related policies in the long run without threatening its solvency or defaulting on some of its liabilities or planned expenditure.

49. Governments are expected to publish a medium-term budgetary framework that is founded on credible forecasts and covers a minimum period (such as three years), within which all public organizations should operate. Yearly budgets should then be formulated in line with this medium-term budgetary framework.

B. Improving the technical efficiency of governments

50. Government actions today are not always realized in the most economical or efficient ways. Existing studies indicate the existence of large sums of wasted resources for different contextual reasons. Some of the more frequently cited examples are procurement fraud and active or passive corruption in public procurement, but there are many other examples, such as excessive drug prescriptions or redundant policy actions in health care, or redundant staff or institutions with duplicative functions in the public administration system.

51. Improved technical efficiency of government actions can be achieved through established instruments. To illustrate, some actions that Governments could consider include:

- Improving public procurement systems, since findings indicate that this source can provide an extra 1–2 per cent of GDP in the form of savings
- Implementing modern accounting systems, based on accrual approaches, providing fair data about the real economic situation of public bodies, allowing cost centre management to compare actual costs to outputs, outcomes and results

- Improving microfinancial management through effective programme performance budgeting and performance measurement
- Establishing effective public-private-civil sector partnerships
- Developing e-governance and e-government tools
- Delivering effective, modern, results-based methods of public sector control and audit.

C. Public procurement and corruption

52. The existence of inefficiencies in public procurement is, to a great extent, inevitable in modern societies. The main issue is the size and scale of corruption in public procurement.

53. The main reason for the existence of corruption in public procurement is the character and scale of the process. Public procurement expenditure in modern economies is estimated to fall within the range of 10–20 per cent of GDP. Data indicate that transitional economies spend relatively more for public procurement than developed States do.[9]

54. Public procurement expenses are mainly incurred for the purchase of goods and services, and construction. Typically, private sector suppliers prefer public rather than private entities as clients since they are considered as a safer market, meaning that the likelihood of the State paying its debt is higher than that for a private entity. Not only is public procurement less risky, it is also often of a repeatable and predictable character, which is advantageous for suppliers.

55. In some developing economies, public officials are not sufficiently paid and therefore seek alternative income to sustain their living standards. With this, private interest may outweigh public needs and the public service principle, especially in less developed public procurement systems that are not sufficiently transparent. The absence of just and effective incentives to motivate public servants to serve the public interest might lead to similar conclusions. In such situations, it is highly likely that allocative and technically efficient public expenditure will not be achieved.

56. There is normally a "volume discount" in the range of 10 per cent of list price or even more. While in private sector transactions this discount is kept by the purchaser, in public procurement transactions the associated amount rightfully belongs to the State. Very often, however, such a discount is not returned to the State coffers. States might audit this kind of behaviour by archiving official prices and making comparisons for their purchase transactions. Unfortunately, this type of corruption is still frequent and normally not reported since a simple probity audit cannot detect such corruption.

57. Another reason for corruption in public procurement relates to the fact that procurement officials and representatives of suppliers do not have incentives to report corruption. It is unlikely that either of the parties will report any behaviour infringing the law directly or indirectly and benefiting both. In cases of sophisticated public procurement corruption schemes in which corruption occurs but is not precisely against the law, only dissatisfied suppliers may have some interest in reporting the problem. Even if this is the case, suppliers will probably be reluctant to do this for

[9] Jan Pavel, *Veřejné zakázky a efektivnost* (Public procurement and efficiency) (Prague, Ekopress, 2013).

fear of having their name put on the unofficial "blacklist" and therefore losing the chance to win subsequent tenders. Under such circumstances, there is almost no chance to detect corruption in public procurement.

58. Aside from many objective and not fully eliminable reasons for the existence of corruption in public procurement, many subjective explanations also exist for why corruption might flourish. The most important of them are as follows:

- Underdeveloped legal environment or gaps in legislation at both the national and local government levels
- Absence of guidelines and standard forms to report corruption
- Lack of experience of all actors of public procurement processes
- Outdated public financial management methods and tools, or insufficient use of project management methods and approaches in public procurement
- Lack of interest of the public in public procurement problems
- Underdeveloped market environment
- Outdated public financial audit methods, especially the dominance of probity audit methods and the lack of value-for-money audit processes
- Bureaucratization of procurement systems, which may result in a preference for the lowest price selections, including for services and work
- Lack of political support for clean procurement.

59. The most obvious inference from all of this is that savings in public procurement of at least 10 to 20 per cent can be easily achieved by improving the public procurement system.

60. From a technical point of view, e-procurement and reverse e-auctions for clearly determined goods seem to deliver highly positive results in many instances.

61. A specific recommendation for improving public procurement systems in developing countries is to acknowledge that procurement is more management-related than administration-related. Public procurement should be managed more effectively for results, for example, through price benchmarking rather than by processes.

D. Government accounting and reporting

62. Most of the Governments in the European Union have moved to accrual accounting in recent years. In reality, however, there is still a mix of accounting styles and practices across States, which in turn hinders coordinated and transparent fiscal policies. Different regulations and practices also inhibit the implementation of sound fiscal policies.

63. High-quality public financial reporting that promotes transparency and accountability is critical to all Governments. The journey towards high-quality public financial information necessitates that Governments be committed to the implementation of effective financial reporting standards that comprehensively capture their financial performance.

64. According to the 2017 International Federation of Accountants, only 9 per cent of Federation jurisdictions have adopted the accrual-based International Public Sector

Accounting Standards (IPSAS) as the applicable accounting standard for all public-sector entities.[10]

E. Public financial management

65. Public financial management is not only a macroeconomic issue but also a microeconomic one: Governments and public institutions are responsible for managing their finances. Modernization of microfinancial management can be based on tools like programme and performance budgeting, full-cost accounting and cost centre accounting, performance financing and risk management.

66. Performance budgeting started more than 50 years ago and is promoted by several international organizations today. Hypothetically, if properly implemented, performance budgeting that links the funds allocated to measurable results has enormous potential. It may improve the planning processes related to public procurement, help to combat corruption via increased transparency, serve as a bridge between public bodies and citizens, support increased management efficiency and provide improved control to reorganize expenditure programmes.

67. Performance budgeting does not always succeed in the early phase of implementation, however. For example, the first attempt to implement a planning, programming and budgeting system in the United States almost failed and the project was terminated. Many developed countries have learned from first-hand negative experiences in implementing effective performance budgeting schemes.[11] At the same time, existing studies indicate that the implementation of performance budgeting today in developing countries does not deliver expected results.[12]

68. While the use of performance budgeting could be recommended to all Governments, the focus should be on its proper implementation, such that costs do not outweigh potential benefits.

69. Performance financing, namely the allocation of public resources to public and private bodies based on performance indicators, is now used in some countries to make allocation of public resources more predictable and transparent.

70. Nevertheless, existing and potential performance financing schemes always generate important widespread effects. Such schemes normally result in increased outputs, for example, more publications, more patients or more treatments, but with connected risks. Because of this, Governments are advised to use this tool only in selected areas after careful consideration.

71. Full-cost accounting delivers transparency and motivation in managing the internal resources of organizations. It helps Governments to understand the structure of costs and the behaviour of factors that influence the costs; therefore, it should be implemented in all large public sector organizations.

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[10] International Federation of Accountants, *International Standards: 2017 Global Status Report* (2017).

[11] Pieter Bleyen, "Linking budgeting to results? Evidence about performance budgets in European municipalities based on a comparative analytical model", *Public Management Review*, vol. 9, No. 7 (2017).

[12] Juraj Nemec and Nataliia Grynchuk, "Performance budgeting: capacity-building of NAPA for open local governance" (Network of Institutes and Schools of Public Administration in Central and Eastern Europe, 2017).

72. Risk management in a public-sector organization helps to identify future events or occurrences that threaten success, and helps to rate the level of risk in terms of likelihood and extent of impact. Similarly to for the instruments above, its use could be considered a standard practice in the public sector of all countries.

F. Information and communications technology and e-governance in financial management

73. E-government and information and communications technology tools have enabled innovations such as the digitalization of internal processes and services, facilitating interoperability and the "once-only" principle (i.e. information is supplied to public administrations only once regardless of origin, thereby eliminating unnecessary burdens for both public institutions and users in general), enabling contact between the State with citizens and businesses and thus promoting democracy and in general improving public sector innovation, public administration and public service delivery. Assessments of the use of modern technologies and digitalization to improve service delivery and democracy can be built upon the work that has been carried out by the European Commission Digital Economy and Society Index, in which e-government benchmark reports and a European Union innovation scoreboard are available. Other interesting comparative data are United Nations digitalization assessments, the United Nations e-Government Survey and performance data from key delivery areas such as health and education provided by OECD.

74. Innovations enabled by information and communications technology can play a vital role in increasing the technical efficiency of government actions, with their capacity to provide information, ensure transparency and decrease transaction costs.

G. Control and audit of public finances

75. Accountability mechanisms, if appropriately designed and implemented, will not only deliver intended control and audit functions, but also generate feedback loops which foster organizational learning. As a result, they may have a positive impact on public administration performance and will also support institutional renewal exercises.

76. All Governments are expected to introduce systems of internal control and audit, as well as external control and audit, in the public sector. Such internal systems should be considered in an appropriate manner.

77. The independence, mandate and organization of the supreme audit institutions should be established and protected by the constitutional and legal frameworks, and respected in practice.

78. To ensure that controls and audits have a positive impact on the functioning of the public sector, a balanced approach to ensure both compliance and performance should be adopted. Effective supervision should be in place to deal with deficiencies identified through the audits and to identify additional resources.

VII. Conclusions and recommendations

79. Although the world economy is expanding, the mobilization, allocation and management of budgetary resources remains a core public administration issue. Healthy public finances are a fundamental precondition for sustainable development.

80. The priorities connected with mobilizing, allocating and managing budgetary resources may be different, as manifested in different settings and in the situations of different countries. Some States need to recover from excessive public finance deficits and debts. Other States need to continue to strengthen their public finance systems with more effective public policies. Even the most developed countries have to deliberate carefully on the various options available for utilizing public funds in a more responsible and effective way.

81. Mobilizing budgetary resources is connected directly with good taxation and with creating favourable conditions to stimulate economic growth. For low-income countries, this dimension needs to be considered along with effective and efficient global development aid.

82. Governments could focus on improving and optimizing the level and structure of their national taxation systems, the efficiency of tax collection and administration and the prevention of tax evasion and tax avoidance, as well as on minimizing the direct and indirect costs of taxation.

83. Governments are encouraged to create a favourable environment to support fair business activities, especially through effective administration and the protection of intellectual property and rights, as well as the strengthening of the rule of law.

84. Allocating budgetary resources is directly dependent on efficient public programmes and regulations. Governments are encouraged to develop systems of regulatory impact assessments and programme assessments to ensure that public funds are well spent and public regulations are effective to the best extent, namely that their societal benefits outweigh their costs.

85. There are both macroeconomic and microeconomic dimensions to the management of budgetary resources. On a macro level, all Governments are encouraged to assure the sustainability of their public finances: their ability to sustain current spending, tax and other related policies in the long term without threatening their solvency or defaulting on their liabilities or promised expenditure. On a micro level, all Governments are encouraged to focus on the technical efficiency of public spending. The most important actions are usually connected with improving public procurement systems, public sector accounting and auditing; improving microfinancial management; developing e-government and e-services; and giving special attention to effective partnerships.

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Building the awareness, competencies and skills of civil servants at the national and local levels

Building the awareness, competencies and skills of civil servants at the national and local levels

Note by the Secretariat

The Secretariat has the honour to transmit to the Committee of Experts on Public Administration the paper prepared by Committee member Margaret Kobia, in consultation with Emmanuelle D'Achon, Ma Hezu, Bridget Katsriku, Lamia Moubayed, Regina Pacheco and Moni Pizani, for its consideration and action, as appropriate.

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Building the awareness, competencies and skills of civil servants at the national and local levels

Summary

Public service plays a critical role in the implementation of the 2030 Agenda for Sustainable Development. Coupled with that critical role, the rapid transformation, improvement and changes the civil service is undergoing call for civil servants to build awareness, competencies and skills needed for the future. The present paper notes some of the approaches used by countries to create awareness, while focusing on the specific operational and policy level skills that civil servants in both national and local governments may require to contribute most effectively to the attainment of the Sustainable Development Goals.

Globally, the distribution of information on the 2030 Agenda remains asymmetric between and within regions, across populations and between and within countries, which adversely impacts the level of mobilization by State and non-State actors and their ability to make progress in implementation of the Goals.

The paper also outlines some emerging technologies and applications with implications for public policy that can be expected to change the ways in which public services are delivered. It assesses the anticipated impacts of the technologies on the demand and supply of future skills and competencies, as well as public service delivery effectiveness and efficiency in implementation of the Goals.

The paper observes that the availability of core skills and competencies in the civil service will be a major determinant of the trajectory that countries take in the attainment of the Sustainable Development Goals. Without adequate investment in the accumulation of the requisite stock of skills in the less developed countries, the results for the Sustainable Development Goals may not be much different from those of the Millennium Development Goals. The economic situation in the least developed countries can be seen to be both a result of and a factor for low skill and competency accumulation.

The author concludes that persistent development gaps among countries can be attributed, to an important degree, to the level of government commitment to public policy prioritization for human capital development, premised on investments in new skills, competencies and technologies. For the least developed countries in particular there is potential for benefiting from leapfrogging, provided there are increased budgets for the development of skills and competencies and investment in new technologies.

I. The skills and competencies imperative in the civil service

1. An often overlooked proposition is that the capacity and capabilities of the government workforce can fundamentally determine the degree of success of all public programmes and policy reforms. The demand for qualified public servants to carry out the essential functions of government is apparent in all areas of administration.

2. Civil servants are critical to the operations of government. At the policy level, they interpret and translate the political agenda into actionable policy. They also translate policy into programmes and specific activities to which budgets can be allocated. Available skills and competencies determine how effectively broad policy objectives are translated into measurable targets.

3. At the technical level, civil servants are responsible for implementing development programmes, monitoring progress, undertaking evaluations on results and impacts, reporting and providing feedback that informs policy decisions on the trajectory that programmes should take. The evidence gathered from evaluations provides information on cost-effectiveness, cost versus benefits, cost-efficiency, value for money and impacts that would inform decisions for scaling or reallocation of resources to alternative interventions. Civil services everywhere must also contend with finding ways to improve productivity and enhance collaboration to overcome administrative silos.

4. Nevertheless, in many countries the public sector has difficulty attracting the critical skills that are needed, for a myriad of reasons, such as outdated civil service norms and structures that can hinder recruitment and skills development, or conditions of employment that in some countries may make it hard for the civil service to compete with the private sector labour market.

5. Many governments, especially in the middle and low-income countries, struggle with mobilizing sufficient revenues to increase public sector wages. There is a continuing shortage of public resources in some countries, which is leading to a rethinking of service delivery modalities, the ways organizations function and the degree of efficiency of the whole system. Organizations are preoccupied with the lack of material and financial resources and with the need to ensure the availability of those resources. Civil servants in most countries are expected to deliver results in the face of major resource constraints.

6. In its resolution 72/235 of 20 December 2017 on human resources development, the General Assembly recognized that the future of work, impacted by progress in science and technology, requires adaptability and faster learning of new skills, which, in turn require a shift towards early childhood education, lifelong learning and a comprehensive life-cycle approach to education and training, enabled, inter alia, through increased investment in teacher training and improved access to digital learning resources, especially in developing countries. The Assembly also encouraged Member States to adopt and implement comprehensive human resources development strategies premised on national development objectives that ensure a strong link between quality education, training and employment, help to maintain a productive and competitive workforce and are responsive to the needs of the economy.

7. Shortages of human resources in the public sector can be especially acute in the least developed countries, where the pool of skilled professionals in the wider population tends to be more limited and governments may be too constrained financially to substantially expand the requisite education and training. Public sector training budgets can themselves be an easy target for cuts in times of reduced

expenditure, which can have a significant impact on civil service capabilities, particularly in low-income countries.

8. In some countries, the civil service has struggled with questions of morale and motivation for extended periods. In countries where the problem is most pronounced, governments remain too financially constrained to give the issue sufficient attention. Low morale can be exacerbated by growing pressure from citizens on service quality, combined in some cases with public perceptions of inefficiency or outmoded government operations.

9. Several empirical studies have shown, in addition, that public management reforms, with changes to regulations, structures and processes, do not always produce the expected results or may have unintended consequences. For example, there may be instances in which public administrations have adopted tools and ideas for reform from the private sector or from other Governments, such as performance-related pay, without fully taking into account the national context or considering the limits and weaknesses of these approaches.[1]

10. The promotion of political interests in public administration can add another layer of complexity. It can occur, for example, that political actors announce policy objectives without allowing time for a robust analysis of potential impacts. To ensure progress on implementation of the Sustainable Development Goals in the face of sometimes competing interests, political will at the highest level of Government remains essential. This may be all the more important in countries affected by conflict, as peace and collaboration are enabling conditions of civil service effectiveness.

11. It is against this backdrop of needs and challenges that building the competencies and skills of civil servants for implementation of the 2030 Agenda for Sustainable Development takes place. The present paper explores some of the specific issues faced by the public sector in human resources management and proposes a framework of skills and competencies that, going forward, may be of benefit to the civil service in leading implementation of the Sustainable Development Goals.

II. Building civil service awareness of the Sustainable Development Goals

12. Awareness is the entry point to building momentum for cross-sectoral action on the Sustainable Development Goals in national and subnational contexts. Knowledge and understanding of the 2030 Agenda enables the civil service to establish pathways to achievement of targets. Policy level awareness in the civil service increases the chances that centres of Government will assign priority to the integration of the Goals into national development plans and allocate sufficient resources for implementation of the related programmes.

13. At the United Nations high-level political forum on sustainable development, countries have reported a variety of approaches to increase national ownership and awareness of the 2030 Agenda, including on the part of civil servants. They include such awareness-raising events as workshops, meetings and conferences on the Sustainable Development Goals, briefings to cabinet, meetings in parliament, wide-scale communication and advocacy efforts, dialogue with stakeholders, radio and television discussions, and communication strategies designed to make the Goals

[1] See, for example, James L. Perry, Trent A. Engbers and So Yun Jun, "Back to the future? performance-related pay, empirical research, and the perils of persistence", *Public Administration Review*, No. 69 (January–February 2009).

more understandable to the general public, as well as web-based platforms to engage civil society in follow-up and review. Other awareness-raising approaches reported are, among others, the inclusion of youth in programmes, outreach events such as awards, contests and festivals, and the integration of the Goals into curricula and educational programmes.[2]

14. Mexico and Sierra Leone, for example, have reported including the Sustainable Development Goals in activities and speeches of high-level officials to increase awareness. In Germany and France, people have been engaged through Internet-based platforms that allow various interest groups to present their points of view. Egypt has created short films about the country's national sustainable development strategy and provides a dedicated website as well as social media coverage of the Goals.

15. Kenya has reported the production and dissemination of information, education and communication materials. Various departments and agencies use social media to disseminate to the public messages relating to the Goals. Sensitization forums involving different stakeholder groups have been held. The coalition of civil society on the Sustainable Development Goals, in collaboration with the Government, has also been undertaking community outreach programmes.

16. Egypt has also employed a company to consult with various stakeholder groups, which reportedly built trust and encouraged interested parties to participate actively in negotiations and debate. Sierra Leone has produced a simplified version of the 2030 Agenda which was distributed to Parliament and the general public and used in television and radio programmes. Mexico, too, produced a brochure about the Goals in simplified language. In the preparation of its national implementation plan, Finland organized a regional tour to disseminate information on the 2030 Agenda, in cooperation with cities, municipalities, non-governmental organizations and signatories of the regional operational commitments to sustainable development. The Philippines has used radio appearances and attendance at special events for that purpose.

17. Estonia, Finland and Norway are among the countries that have included topics related to sustainable development and the 2030 Agenda in school and university curricula and in teaching materials. The Republic of Korea has also encouraged the inclusion of content on the Sustainable Development Goals in textbooks for primary and secondary school students.

18. In countries pursuing decentralization and more devolved systems of Government, the role of the local political leadership comes into focus. Awareness of the Sustainable Development Goals is crucial at the local level, given the proximity of local authorities to the people and, at the grass-roots level, their role in delivering basic public services and their ability to take integrated approaches.

III. Strategic human resources management in the context of the Sustainable Development Goals

19. Given the wide scope of the Sustainable Development Goals, it is apparent that to achieve results on many fronts, civil servants will need to acquire new skills and competencies. Governments, which have the central role in implementation of the

[2] See United Nations, Department of Economic and Social Affairs, "2016 synthesis of voluntary national reviews" and "2017 synthesis of voluntary national reviews", presented at the high-level political forums on sustainable development in 2016 and 2017, respectively. Available from https://sustainabledevelopment.un.org/content/documents/23862016_VNR_Synthesis_Report.pdf and https://sustainabledevelopment.un.org/content/documents/17109Synthesis_Report_VNRs_2017.pdf.

Goals, may need to make urgent investments in retooling public services and equipping civil servants with new knowledge, skills and competencies. Governments may find it beneficial to prioritize the following approaches, strategies and investments to build the requisite skill sets and competencies of civil servants involved in implementation of the Goals.[3]

Determining skills and competency gaps

20. Assessing skill gaps in the current workforce is a fundamental first step in strategic workforce planning. It can be a complex task. Even for high-income countries that have defined common skills and competency profiles for civil servants, the mapping of skills and identification of gaps remains a challenge.

21. Similarly, future-oriented workforce planning remains a central challenge for public sector human resources management. Civil service workforce planning, driven by skill and competency requirements rather than numbers and costs, is essential to ensure that both capacity and capability considerations are factored into plans for implementation of the Sustainable Development Goals. To assess changes in the skills needed in today's civil services, countries may need to develop frameworks that identify main functional areas and the specific tasks and skills within those areas that are central to the relationship between civil servants and society.

22. To determine skill and competency gaps, there may be a need to develop reliable data on workforce skill sets, which are rarely available in the public sector, as well as foresight capacity in civil service planning. Better data and analytical tools together can help to maintain a government workforce that is able to keep pace with social, technological and other changes.

Attracting and selecting employees with the right skills and competencies

23. In addition to training, plans to fill identified gaps usually involve workforce development through the recruitment of new employees. Many countries implemented hiring freezes following the 2008 financial crisis. Even as economies recover and civil services face high levels of retirement, many budgetary constraints remain, which suggests a need to ensure that hiring is undertaken with careful attention to expanding access to skills that can boost public sector capacity and productivity, and that civil services and public administrations are able to attract people with those skill sets to the workplace.

24. Strengthening of merit-based recruitment processes are generally viewed as an important strategy in the ongoing professionalization of civil services. The strategy may need to be balanced, however, with the need to open up possibilities for recruitment at all levels, quicken the speed of the process and ensure that selection is consistent with future-oriented skills and promotion of public sector workforce diversity. If specific skill sets are lacking, fast-track programmes are one way to reach out to people with those skills. Some governments are adopting competency-based requirements in addition to professional and educational qualifications as indicators of merit.

[3] See Organization for Economic Cooperation and Development (OECD), *Skills for a High Performing Civil Service*, OECD Public Governance Reviews (Paris, OECD Publishing, 2017); United Kingdom, House of Commons Public Administration and Constitutional Affairs Committee (PACAC), "Developing civil service skills: a unified approach: Government response to the Public Administration Select Committee's Fourth Report of Session 2014–15" (HC 526) (London, The Stationery Office, 2015).

Developing and nurturing talent

25. Employee development should be a pillar of any well-designed skills management strategy, particularly in civil services with high levels of job security and low overall turnover. Ensuring a learning culture is even more important given the high rate of change, technological advancement and service delivery complexities that come with the Sustainable Development Goals and associated targets. Lifelong learning should be seen as essential both for career development and as an organizational strategy to modernize and respond to national and local sustainable development objectives.

26. In addition, civil services can showcase eventual learning opportunities as part of branding strategies that portray government agencies as employers of choice. This way, the public sector gets to attract talent that it has struggled to engage yet is critical to the implementation of the Sustainable Development Goals.

Utilization of the skill and competency stock

27. Recruiting new talent and developing the skills and competencies are necessary but insufficient to strengthen the competency stock of the civil service. Once skills are identified, acquired and developed, they must also be deployed in a system designed to make use of them. In regard to the factors most affecting performance, the evidence suggests that employees need abilities, motivation and opportunity to perform well.

Establishing and strengthening civil service management development capacity

28. Different institutional structures exist to manage and oversee civil service training, and various approaches exist to align training at individual, organizational and civil service levels to the core priorities of the civil service, ideally to the civil service vision and competency frameworks, and to future skills development priorities in areas such as foresight, innovation and technology. Countries that combine individual learning incentives, such as learning plans linked to performance management processes, with organizational or civil service-wide plans are more likely to be able to ensure that civil servants receive the training they need, resources permitting, and that training programmes are effectively coordinated.

29. Promoting a culture of learning in the public sector also calls for attention to the use of a broad range of tools, such as mentoring, coaching, networking, peer learning and mobility assignments to promote learning as a day-to-day activity that is integrated into the job functions of civil servants. Leadership development and online training tools are proving helpful in the civil services of developed countries and may have potential for adoption and adaptation in developing countries as well.

Budget prioritization for civil service capacity and capability development

30. In some countries, training budgets were one of the first things to be cut following the 2008 financial crisis. While the need for budgetary austerity was understood at the time, such a strategy, if continued over the long term, risks cutting off the ability of the civil service to renew the skill sets needed to make good policy and implement new services. Investing in civil service learning requires training programmes, as well as embedding learning in the culture and values of the organization, while making staff development a core responsibility of every public manager.

IV. Skills and competencies essential for implementation of the Sustainable Development Goals

31. Agencies responsible for policy formulation, programme design and implementation of the Sustainable Development Goals may require both a consolidation of existing skill and competency sets and a completely new set of skills and competencies. The 11 skill and competency areas that are presented below may be particularly relevant.[4]

Baseline analytic and monitoring capability

32. Implementation of programmes aimed at the attainment of the Sustainable Development Goals, whether undertaken by government alone or jointly with development partners, calls for continued investment in the capacity of civil servants to conduct baseline analyses, based for example on econometrics, big data and predictive analytics, and to monitor progress towards the targets.

33. There are two key stages in the public policy cycle at which empirical analysis could be most valuable. The first involves the design of public policy. At this stage, civil servants should have technical grounding in conducting literature reviews in the relevant policy domain, evaluating evidence of the effectiveness of various approaches and assessing possible interventions, including propositions for innovations and trials in new areas. The second involves monitoring and evaluation in which rigorous monitoring, measurement and analysis at both the programme and component levels is carried out. At this stage, civil servants should have experience in monitoring and evaluation, underpinned by the ability to design and use systems for capturing relevant high-quality data.

Programme prototyping

34. Many countries continue to face fiscal constraints, the need for shorter policy cycles and a demand for citizen participation in decision-making processes. Depending on the sectors responsible for the implementation of programmes for specific Sustainable Development Goal targets, civil servants will require skills in designing strategic experiments (programme pilots) in which the critical elements of a given intervention are introduced on a limited basis to test key assumptions, measure performance and capture design refinements.

35. The use of prototypes in Sustainable Development Goal-related programming provides an opportunity to generate evidence to inform programme design while verifying assumptions made, before limited public resources are deployed for full-scale interventions. Effective programme prototyping makes it possible to make critical adjustments to initial designs that may have been produced following a results-chain methodology. Ultimately, strengthening prototyping skills among civil servants may be one of the most cost-effective approaches to enhancing capacity to address sustainable development objectives.

Futuristic design integration

36. Noting the longer-term orientation of sustainable development to the year 2030 and beyond, there is a need to establish the capacity in government departments and agencies to anticipate future scenarios with a view to adopting strategies that are

[4] See Bob Willen, and others, "Proactive governance: policy and strategy design in the context of accelerating change"(World Government Summit and A.T. Kearney Global Business Policy Council). Available from https://www.worldgovernmentsummit.org/api/publications/document?id=e96e7dc4-e97c-6578-b2f8-ff0000a7ddb6.

aligned with people's needs and aspirations. For this to happen, civil servants should possess the technical capacity to define and test programme requirements against the range of future conditions that the initiatives envisaged are most likely to face, then design strategies to achieve national and local sustainable development priorities accordingly. Futuristic design can be both a powerful means of driving policy innovation at the outset of a policy formulation process and a key part of strategic due diligence by which the future resilience of strategies for attaining national Sustainable Development Goal targets is tested and refined before implementation.

Simulation and harnessing interactive dynamics

37. Recognizing that the implementation of programmes for the attainment of the Sustainable Development Goals may take place amid many competing interests and a proliferation of powerful State and non-State actors, civil servants may find it helpful to undertake rigorous interactive analysis to enhance programme effectiveness. Such analysis makes it possible to model and systematically simulate the likely responses of key stakeholders, adversaries, allies and other players to a given development policy or strategy.

38. By acquiring new skills in interactive analysis, civil servants establish the much-needed technical preparation to build anticipatory resilience. Simulation capabilities may also make it possible for core implementation staff to anticipate possible reactions to initiatives, policies, programmes or strategies and to refine approaches in ways that increase the chances of success in the timely achievement of the Sustainable Development Goal targets.

Full-spectrum policy innovation

39. By establishing the capacity of government officials to foster innovation, State and non-State actors will be addressing arguably one of the foremost strategic challenges of this and the next generation. Providing an enabling environment for innovation does not necessarily require a large bureaucracy. Rather, it requires public officials with the ability to assess relevant established innovations and take part in critical networks to independently drive collaboration that promises the most contextually relevant innovations for the attainment of the Sustainable Development Goals.

40. Public servants should also be encouraged to participate in the global policy innovation networks which have, as their key nodes, a growing number of graduate schools of advanced public policy studies, a range of global policy think-tanks and an increasing number of government-led centres of innovation. By actively engaging their policymakers in these networks, government institutions can maximize their ability to see emerging best practices early in their evolution and adapt them for their 2030 Agenda initiatives.

Comprehensive stakeholder engagement

41. The engagement of partners and stakeholders in government-led initiatives is consistent with target 16.7 of Goal 16 which aims to ensure responsive, inclusive, participatory and representative decision-making at all levels. At the formative level, the process requires that civil servants have functional skills in stakeholder engagement, negotiation and collaboration. This set of skills is important for the civil servants at the core of the design and implementation of sustainable development programmes, since stakeholders offer a potentially valuable repository of knowledge that may not otherwise be readily accessible.

42. Another important consideration for the acquisition of engagement skills by civil servants is the fact that stakeholder support for initiatives under the Sustainable

Development Goals is not a given. Stakeholders may wield considerable influence in an organization or within the community in which they operate to the extent that they can engender or directly mount resistance, for example when an initiative is seen to be exclusively externally driven. However, the ability of government officials involved in development programmes to elicit stakeholder participation increases the chances that stakeholders will support high-priority initiatives and make a direct contribution to their success. An important disconnect can occur between policymakers and implementing agencies if programmes are designed with limited input from target beneficiaries.

Expert crowd-sourcing

43. The emerging technical complexity and multidisciplinary nature of policy and strategy design under the 2030 Agenda is creating unprecedented skill and competency requirements for government. The first implication of this is that policymakers responsible for the implementation of the Sustainable Development Goals require robust capabilities for identifying and retaining subject matter experts.

44. Using crowdsourcing techniques, government officials overseeing sustainable development policy should be able to identify ideas based on a wide range of knowledge and experience. In addition, rather than have policy advisers look at ideas and pick the best solution, governments could provide mechanisms for stakeholders to propose innovative ideas for implementing Sustainable Development Goal programmes, and use the wisdom of the crowd to inform decisions on what goes forward.

45. Such a change in decision-making processes could challenge conventional management approaches and shift power from public policymakers to other stakeholders. Thus, the use of crowdsourcing in policymaking could be expected to meet resistance. A critical question is whether civil service leaders would be willing to give more say to line staff and other stakeholders. Overcoming such resistance could take a long time in many public sector organizations, while in others a transformation is already underway that could accelerate efforts to meet the Sustainable Development Goal targets, inter alia, using more cost-effective approaches that may otherwise not have been considered.

Whole-of-government alignment analysis

46. The ability of civil servants to undertake a whole-of-government alignment analysis helps to maximize the concentration of efforts behind programmes geared towards the Sustainable Development Goals. The starting point for this kind of analysis is the systematic assessment of the relationships between programme strategies and the policies, strategies and capabilities of other internal and external governmental entities.

47. In 2030 Agenda programming, such an analysis entails the identification of all relevant linked units, ministries, local governments and other potential partners and the detailed analysis of the potential linkages to them. If civil servants are equipped with the skills to undertake whole-of-government alignment analysis in the course of the programme design, departments, units or agencies will be able to ensure and maximize the alignment of the Sustainable Development Goal programmes and strategies with national development priorities.

Agile resource management

48. Governments often implement programmes against a backdrop of competing demands on national resources and budgets. The design and implementation of such programmes should be based on efficient solutions with convincing business cases,

especially when the public resources required will exceed those initially planned for national development priorities. As a result, civil servants responsible for the design and coordination of programmes under the Sustainable Development Goals will require public resource management skills.

49. Effective resource management requires civil servants to be able to mobilize resources from the private sector and other development partners to help meet funding gaps. Through effective engagement with the private sector in the form of public-private partnerships, governments can benefit from long-term value-for-money projects with appropriate risk allocation between the private and public sectors, which is especially important for initiatives requiring large investments or advanced technologies.

New approaches to governance and accountability

50. Government accountability is a legitimate expectation of citizens everywhere. Target 16.6 of Sustainable Development Goal 16, which calls for the development of effective, accountable and transparent institutions at all levels, suggests a need for government officials to understand the logic of checks and balances and the ways to embed accountability mechanisms in public policy from the policy design stage. Governance and accountability have both a corrective function (addressing policy grievances and adjusting a variety of policy aspects) and a preventive function (reducing public sector dysfunctionality arising from corruption, inefficiency and waste).

51. By instituting next-generation governance and accountability, policymakers at the centre of sustainable development programmes may be able to go beyond the traditional yet essential lines of accountability regarding service delivery, budget management, decision authorities and performance objectives to a deeper set of arrangements. The approach entails the concept of shared responsibility between the government and the wider stakeholder community, which may include international institutions, the private sector and civil society, and gives a voice to the public, which represents the broad interests of society.

Outcome monitoring and measurement

52. Integrated outcome monitoring and measurement constitutes a central pillar of effective programme design under the Sustainable Development Goals. The capacity of State officials responsible for coordination and implementation of the 2030 Agenda in evaluative monitoring and measurement is a fundamental requirement for both prototypes and fully-scaled programmes. Equipped with such technical capacity, key programme staff will be able to provide the all crucial data and evidence that form the basis for iterative improvement of the programmes over which they preside.

53. Adaptive design changes in sustainable development should be based on continuous monitoring of programme impact that allows policymakers to trace the effects of policy at any given time and fine-tune it based on the inputs obtained in the monitoring process. For this approach to work, however, monitoring and measurement systems and the mechanisms of continuous refinement must be built into the programme design and agreed upon by key stakeholders at the outset.

Addressing the needs of countries in special situations

54. The least developed, landlocked and small island developing States and conflict-affected countries may face particular challenges in building the civil service skills and competencies needed for the 2030 Agenda. The United Nations Institute for Training and Research (UNITAR) has identified four priority training tasks to help countries in special situations to reach the Sustainable Development Goals by 2030.

The first is to strengthen the capacity of policy officials at the national and subnational levels in order to incorporate the Goals into national planning frameworks and effectively harmonize those plans with multiple national, regional and international agreements. The second is to help officials in planning and line ministries to understand the interlinkages among the Goals and targets and quantify the benefits and impacts of policy options. The third is to build the capacity for modern data gathering and data analysis, including through better household surveys, improved censuses and strengthened data collection and use. The fourth is to help to build the capacity of non-governmental actors to strengthen their engagement in the implementation of the Goals and other major commitments.[5]

V. Reflections on emerging technologies

A. Technologies and service delivery approaches

55. For countries to remain competitive, the skills and competency profiles of civil servants may have to keep pace with advances in technology and new approaches to public service delivery. The present section reviews some of the technologies that are either already impacting how public services are delivered or that have shown great potential. It is noteworthy that, for emerging technologies and scientific applications to be of value to the public sector, governments must be prepared by way of new policies for uptake, implementation capacity and regulation.

56. Beyond the current thinking on the spectrum of skills and competencies for civil servants to support the effective implementation of sustainable development programmes and increase the likelihood of attaining the targets, it will be important for governments to focus on a number of applied technology advances. Such technologies hold great promise for improving service delivery and the client experience both in the public and private sectors. They include: robotics and artificial intelligence; genomic medicine; biometrics; data science; nanotechnology; three-dimensional printing; the Internet of things; nudging and behavioural insights; and the convergence of technologies in smart cities.

Robotics and artificial intelligence: efficiency and precision benefits

57. Robots and artificial intelligence can automate and enhance work traditionally done by humans. Often the technologies operate together, with artificial intelligence providing the robot with instructions for what to do. Driverless cars are a much cited example. The subject is of critical importance for governments that are keen on investing in efficiency improvements. For example, governments can emulate online video services by using artificial intelligence to personalize the transactional services they provide to citizens, while crime-prediction algorithms are allowing police to take precautionary measures before crimes occur.

Genomic medicine and personalization of medical care

58. Genomic medicine uses an individual's genome, their unique set of genes and DNA, to personalize their healthcare treatment. On the basis of genomic medicine, rare disorders caused by mutations in single genes are already being treated through gene editing. In time, such disorders may be eradicated altogether. For common diseases, such as cancer, patients' genomic data could lead to more sophisticated preventative measures, better detection and personalized treatments. Researchers are

[5] For additional information, see UNITAR, "Training needs to reach the SDGs by 2030", 6 September 2017. Available from https://www.unitar.org/training-needs-reach-sdgs-2030.

exploring whether gene editing could make animal organs suitable for human transplant, and whether gene drives in mosquito populations could help to eradicate malaria.

Biometrics to map citizens and improve services

59. Biometrics rely on unique physical and behavioural traits, such as a fingerprint, iris or signature. Unique to every person and collectable through scanning technologies, biometrics provide every person with a unique form of identification which can be used for many applications, from authorizing mobile phone bank payments to quickly locating medical records after an accident or during an emergency.

60. From a large-scale national identification initiative in India to border control initiatives in Singapore, the United States of America and the Netherlands, biometrics are already being used in a wide range of government services. They are improving the targeting of welfare payments; helping to cut absenteeism among government workers; and improving national security. However, their use raises challenges that Governments need to manage, such as privacy issues; the risk of mission creep when extra and often unnecessary details are added to a project, usually causing the project to spiral out of control; data security; public trust; and the financial sustainability of new technology systems. Governments should work towards the twin objectives of utilizing the benefits of biometric tools and managing the risks.[6]

Data science and the future of public policy

61. Using data to make decisions is not new. However, the proliferation of Internet and mobile technologies has produced data at an unprecedented rate. The data science revolution has caused many industries to reconsider their strategies and introduce new ways of expanding business. Modern analytics has made its way into such fields of endeavour as public health, policing, economics and sports, among others.[7] Data science tools, such as real-time data, data visualization and machine learning, are bringing new ideas and approaches to policymaking. Used together with behavioural approaches, they could revolutionize the way development policies and programmes in the least developed countries are designed across most of the 169 targets.

62. The rates of uptake of data science differ, however, between the private sector and public organizations. The difference is primarily a result of the way data science is used: on the one hand, the for-profit private sector often aims at improving efficiencies, improving client experience, enhancing productivity and ultimately at lowering costs and increasing profits; on the other hand, the motivation for uptake in the public sector, especially in developing countries, is often based on the priorities of the political leadership of the day or at times is simply a borrowed good practice.

Internet of things

63. The "Internet of things" refers to a network in which applications and services are driven by data collected from devices that sense and interface with the physical world. Important Internet-of-things applications are relevant to many economic sectors, including health, education, agriculture, transportation, manufacturing and

[6] See The Economist Intelligence Unit, "Advanced science and the future of government" (World Government Summit, 2016). Available from https://www.worldgovernmentsummit.org/api/publications/document/fae769c4-e97c-6578-b2f8-ff0000a7ddb6.

[7] Ibid.

electric grids.[8] Fully functional and globalized Internet-of-things technologies could proffer economic and convenience benefits that span the domain of most if not all of the 17 Sustainable Development Goals.

64. The Internet of things can also empower people in ways that would otherwise not be possible, for example, by enabling cost-effective delivery of critical health care supplies to hard-to-reach segments of the population that may otherwise be left behind owing to remoteness and marginalization. The countries that anticipate the challenges while fostering greater use will be best placed to seize the benefits.

Three-dimensional printing

65. The use of three-dimensional printing in producing components one layer at a time allows for more intricate design, as well as reducing waste. Governments are starting to use the technology to print public infrastructure, such as the new footbridge in Amsterdam, designed by a Netherlands company.[9] When supported by government policy, the expansion of three-dimensional printing technologies to the mass market in the construction industry holds promise in advancing both Goal 9 on building resilient infrastructure and Goal 11 on making cities and human settlements inclusive, safe, resilient and sustainable. With three-dimensional printing, infrastructural resilience is easier to achieve since designs for integrated infrastructure can be pre-programmed to embody requirements for future expansion and improvements.

Nanotechnology

66. Another technology relevant to Goal 3 efforts to ensure healthy lives and promote well-being for all at all ages is nanotechnology. It involves the manipulation of individual atoms and molecules on a tiny scale; one billionth of a metre. Nanoscale drug delivery could target cancer cells with new levels of accuracy, signalling a major advance in healthcare quality. Brain-mapping programmes could allow mankind to finally understand the inner workings of the human brain and usher in revolutionary treatments for such conditions as Alzheimer's disease and depression.

Nudging and application of behavioural insights to policymaking

67. Drawing on behavioural economics and social psychology, nudge theory can help to explain how economic decisions are influenced by cognitive biases.[10] Faced with tight fiscal situations, policymakers worldwide have been excited by the potential of nudges; small, low-cost changes that could make a big difference in the effectiveness of government interventions. As a result, nudge units can be found in a number of governments.[11]

68. Considering the outcomes already documented on small, low-cost changes that significantly enhance the effectiveness of government interventions, it can be

[8] OECD, Working Party on Communication Infrastructures and Services Policy, "The Internet of Things: seizing the benefits and addressing the challenges", document DSTI/ICCP/CISP(2015)3/FINAL. Available from http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=DSTI/ICCP/CISP(2015)3/FINAL&docLanguage=En.

[9] See The Economist Intelligence Unit, "Advanced science and the future of government" (World Government Summit, 2016). Available from https://www.worldgovernmentsummit.org/api/publications/document/fae769c4-c97c-6578-b2f8-ff0000a7ddb6.

[10] See Kok Ping Soon, "Nudges: Why, How and What Next?", *Ethos*, Issue 17 (June 2017). Available from https://www.csc.gov.sg/docs/default-source/ethos/ethos17.pdf.

[11] See Owain Service, Kok Ping Soon and Elspeth Kirkman, "Government Policy and Practice Through the Behavioural Insights Lens", a presentation by Behavioural Insights Ltd at the Behavioural Exchange Conference, Harvard Business School, Cambridge, Massachusetts, 6-7 June 2016. Available from https://www.youtube.com/watch?v=-tqeqj_G2L4&feature=youtu.be.

deduced that behavioural insights are relevant to public policy in both developing and developed countries on a number of grounds. First, governments everywhere are faced with rising and more divergent expectations for better public services. Second, the operating environment for the public service is getting ever more complex. Third, governments are faced with tightening resource constraints. Set against rising public expectations, a more complex operating environment and diverse populace and increasingly tight fiscal and manpower situations, implementers of government programmes on the Sustainable Development Goals will most likely be persuaded to adopt nudging by integrating behavioural insights in development programmes.

Converging technologies and smart cities

69. A smart city denotes an instrumented, interconnected and intelligent city. Instrumentation enables the capture and integration of live real-world data through the use of sensors, kiosks, meters, personal devices, appliances, cameras, smart phones, implanted medical devices, the web and other similar data-acquisition systems, including social networks as networks of human sensors. Interconnection supports the integration of data into an enterprise computing platform and the communication of information among the various city services. Intelligence, in contrast, arises from the inclusion of complex analytics, modelling, optimization and visualization in the operational business processes to make better operational decisions.[12] Technology integration in smart cities supports Goal 11 targets for inclusive, resilient and sustainable cities and human settlements.

B. Capacity and policy implications of new technologies, and service delivery approaches for governments

70. The proliferation of new technologies and service delivery approaches and the evidence from the private sector on service delivery improvements underscore the potential these new technologies hold for the public sector, accompanied by appropriate regulatory policies. Such policies will be instrumental in guiding governments on the selection of best alternatives, minimizing the adverse effects of new technologies and building of the most productive coalitions for results.

71. For the least developed countries, the quest for new technologies and approaches to service delivery will have to be preceded by systematic mapping of possible areas of highest impact in technology-based service delivery, assessment of skill and competency requirements of the civil service and a mapping of infrastructure needs for anchoring uptake. Such pre-uptake assessment increases the chances that governments, which have historically lagged behind in the integration of new technologies into their service delivery matrix, would get the best mix of skilled personnel and infrastructure that are responsive to context.

72. To establish internal capacity for the uptake and implementation of new technologies and service delivery approaches, governments will need to renew the focus on the acquisition of the requisite knowledge and skills for the new technologies and applications both at the policy and operational levels. In addition to the skill dimensions to public service capacity-development for new technologies, governments, especially in the developing countries, would need to incentivize private sector participation in both the production of skills and the investments in

[12] C. Harrison, and others, "Foundations for smarter cities", *IBM Journal of Research and Development*, vol. 54, No. 4 (July/August 2010). Available from http://fumblog.um.ac.ir/gallery/902/Foundations%20for%20Smarter%20Cities.pdf.

infrastructure that support new service delivery channels on the basis of the new technologies.

73. In many instances, skilled labour in the new technologies, with the potential for a revolution in service delivery in the public service, comes at a premium. To establish the required pool of skills for the integration and use of new technologies and applications in the delivery of public services, most developing country governments will need to recalibrate their recruitment approaches and employment terms to attract and retain the new calibre of employee. New government policies on education, training and capacity-development could also deliberately target scholarships and conditional funding programmes for training in the nexus between development, new technologies and public policy. In addition, public services could simultaneously prioritize investments in requisite infrastructure to support the rollout of new technologies in service delivery. A starting point in the development of infrastructure is the institutionalization of public-private partnerships that could significantly cut the concentration of public resources on infrastructure, thus potentially enabling governments to reallocate resources to other equally productive sectors of their economies that are supportive of the Sustainable Development Goals.

VI. Proposed frameworks for competencies and skills

Competency framework for civil servants

74. A competency framework that can be proposed for senior civil servants consists of six core competencies and 53 behavioural indicators which can be used to assess performance. The senior civil servant competency framework is based entirely on behaviours. The six competencies, considered to be critical for the effective performance of all civil servants at the managerial and policy levels, are as follows: thinking strategically, getting the best from people, learning and improving, focusing on delivery, giving purpose and direction and making a personal impact.[13]

75. Each of the competencies has a list of effective behaviours, which are the criteria used in assessing performance. This framework is deemed organizationally neutral and can be applied to and used to evaluate and develop persons in top management positions in private or public organizations.[14]

76. A core attribute of strategic thinking, for example, is the capacity to be sensitive to wider political and organizational priorities. Civil servants with competencies in learning for improvement will exhibit the ability to apply learning from their experiences while building productive relationships with people across and outside the organization. To get the best from employees, civil service leaders should be capable of adapting their leadership style to different people, cultures and situations.

77. Civil service leaders with competencies that focus on delivery are those who can organize work to be delivered to time, budget and agreed quality standards. To be competent in giving purpose and direction, top level civil servants should be clear on what needs to be achieved and exhibit a participatory character by involving their staff in deciding what has to be done. For personal impact, leaders should be visible and approachable to all, and act with honesty and integrity.

[13] See Sylvia Horton, "Competency management in the British Central Government", KU Leuven Public Management Institute (2010). Available from https://soc.kuleuven.be/io/onderzoek/project/files/hrm27-country-report-uk.pdf.

[14] See Sylvia Horton, "The competency movement", in Sylvia Horton, Annie Hondeghem and David Farnham (Amsterdam, IOS Press, and Brussels, International Institute of Administrative Sciences, 2002).

Skills framework for civil servants

78. The professional skills framework for civil service is a structured way of thinking about jobs and careers for civil servants at all grades. As depicted in the figure, it sets out the skills they need to do their job well as members of the civil service, irrespective of their grade they are or the place where they work. In many countries, the civil service is a diverse organization and the range of skills required should reflect that diversity.[15]

79. Civil service leadership qualities are at the centre of the framework. They are as follows: to provide direction for the organization, to deliver results, to build capacity for the organization to address current and future challenges and to act with integrity. In addition, every civil servant needs certain core skills to work effectively. The four core skills in the framework are: people management, financial management, analysis and use of evidence, and programme and project management. In addition to those skills, persons in or aspiring to the senior civil service leadership need to demonstrate skills in communications and marketing and in strategic thinking.

Figure
Skills framework for civil servants

VII. Conclusions and recommendations

80. Notwithstanding the evidence of the increasing levels of awareness of the 2030 Agenda within government and the public sector, evidence from the high-level political forum voluntary national reviews points to an asymmetric distribution of information on the Sustainable Development Goals in government and society at large. Approximately two years after the adoption of the Goals, major information gaps persist within and between countries and regions at a level that impedes mobilization, networking and collaboration for action. The information gaps suggest

[15] See Sylvia Horton, "Competency management in the British Central Government", KU Leuven Public Management Institute (2010). Available from https://soc.kuleuven.be/io/onderzoek/project/files/hrm27-country-report-uk.pdf.

the need for greater country-level advocacy to raise awareness across different stakeholder groups in support of joint action towards the achievement of the targets.

81. Disparities in skill and competency concentration between the predominantly developed and low-income countries can in part be explained by variations in national priorities. While developed countries have made investments in both traditional and emerging skills for civil servants that would profoundly impact public policy for sustainable development, their counterparts in developing countries often lag behind. Left uncorrected, the skill and competency gap in developing countries will ultimately result in a commensurate lag in their attainment of the Sustainable Development Goal targets. Efforts at improving the capacity of developing countries to meet the targets should, therefore, alongside other development interventions, be concentrated on the supply of knowledge, skills and competencies that are critical to the efficient and effective delivery of public services. A major effort is also needed in developed countries to sensitize public servants to the Goals and the principles embodied in the 2030 Agenda, which requires building skills and competencies in specific areas.

82. Irrespective of country context and the level of civil service in which civil servants serve, on the basis of the frameworks presented, the establishment of leadership capability remains a fundamental pillar of any efforts aimed at improving the capacity of civil services to deliver results. Governments that are committed to the timely and cost-effective realization of the Sustainable Development Goals may therefore need to enhance the focus on civil service leadership and management capability development.

83. Future capacity-building for civil servants at the policymaking level, especially among the least developed countries, will need to incorporate an appreciation for both the impacts and new applications of new technologies, including data analytics, artificial intelligence and biometrics. For results, the acquisition of skills and competencies for new technologies and service delivery approaches should be backed by commensurate public-private sector investment in supporting infrastructure.

84. The convergence of new skills, competencies and technologies, such as in robotics, artificial intelligence, autonomous automobiles, the Internet of things, genomic medicine, biometrics, behavioural insights and data science, holds the greatest promise for the cost-effective attainment of Sustainable Development Goal targets cutting across most of the 17 Goals. For the least developed countries, the uptake of those technologies could provide a giant forward leap towards sustainable development.

85. Differences in government-level appreciation and use of data and evidence are pronounced between developed and developing countries. In much of Africa, as well as among the developing countries of Asia and Latin America and the Caribbean, government programmes tend to be based on welfare concerns, shifting policy objectives and at times evidence from elsewhere. State investment in research and development is given insufficient priority, leading to underfunding, a situation which partly explains and, in turn, is explained by the underdevelopment in those regions.

86. Data and analytics are widely used in policy design and consequent outcomes in the developed countries, yet there is little emphasis on the value of data and evidence for public policy in many developing countries. To make the leap, civil servants in developing countries should be prepared to take the lead in translating the best industry practices in the use of data analytics and digital technologies for public service delivery improvements.

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Building effective, accountable and inclusive institutions at all levels: elaborating principles of effective governance for sustainable development building on the work of the Committee at its sixteenth session

Elaborating principles of effective governance for sustainable development

Note by the Secretariat**

* E/C.16/2018/1.

** This paper was prepared by the Secretariat under the leadership and guidance of Committee members Geert Bouckaert, Geraldine Fraser-Moleketi and Ora-orn Poocharoen. The paper is intended to support the work of the Committee and reflects the views of the experts.

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Summary

At its fifteenth session, the Committee of Experts on Public Administration discussed the possibility of developing a voluntary set of internationally recognized principles of responsible and effective governance that could provide helpful guidance to countries in addressing a broad range of governance challenges associated with implementation of the 2030 Agenda for Sustainable Development. The Committee continued its consideration of the issue at its sixteenth session, with an exploration of the purpose, scope and application of the proposed principles, as well as related concrete practices. The Committee decided that, at its seventeenth session, it would build on the conceptual framework presented at the sixteenth session, with the essential elements of Sustainable Development Goal 16 of effectiveness, accountability and inclusiveness at its core.

The present paper sets out a preliminary draft of the basic principles for consideration. The Committee has recognized that achieving the targets of Sustainable Development Goal 16 will be critical to the implementation of all the Sustainable Development Goals and that both national and subnational authorities have an important role to play. The draft principles are therefore intended to be useful across all areas of governance and institution-building that are relevant to the Sustainable Development Goals. As previously agreed by the Committee, they have been articulated as brief statements of some depth, but are also sufficiently general to elicit the broad support of countries.

The Committee and other entities have explored a range of commonly used strategies for operationalizing responsive and effective governance, many of which have been recognized and endorsed over the years in the resolutions of the General Assembly and the Economic and Social Council, in the outcomes of major United Nations conference and summits and in the relevant treaties on human rights or corruption prevention. A variety of such strategies are set out in the present paper and linked to practices that are supported by technical guidelines at the international level. Consideration is given as to how to assess such practices for relevance and the strength of the empirical evidence of their impact on outcomes related to the Sustainable Development Goals.

Interested Committee members working on the present paper have pointed to the need to consider the role of public administration in different spheres of government action. Five layers of governance have been proposed as a model for understanding the everyday reality of institutions and to further contextualize the application of the principles. The five layers comprise the management of individual organizations, collaboration across the government, relations with non-State actors, organizational attitudes and behaviours, and governance at the systemic level. Each of the basic principles may guide action in all five areas.

Finally, in the paper, consideration is given to ways of linking the principles with global efforts to support the implementation of the Sustainable Development Goals, and further action is recommended to identify specific practices and related technical guidelines, including from a sectoral perspective, taking into account the interrelationships inherent in the Goals and the fact that the principles are voluntary.

I. Background

1. At its fifteenth session, the Committee of Experts on Public Administration discussed the possibility of developing a set of internationally recognized principles of responsible and effective governance that could provide helpful guidance to countries in addressing a broad range of governance challenges associated with implementation of the 2030 Agenda for Sustainable Development. While good governance and related concepts, such as the rule of law, participation, accountability and transparency, have been frequently noted in international commitments and agreements, the Committee found them to be general in nature and open to interpretation. The Committee thus decided to draft, with the assistance of the Secretariat, a set of voluntary governance principles, with a view to providing a baseline for future policy and practice and encouraging the study of more specific issues in public administration.

2. The Committee continued its consideration of the matter at its sixteenth session, with an exploration of the purpose, scope and application of the proposed principles, as well as related concrete practices. In considering the Committee's report, the Economic and Social Council recognized that there was a need for pragmatic ongoing improvements in national and local governance capabilities to achieve the 2030 Agenda and other international agreements, and noted that the Committee's work in this area could serve as an important reference point in building effective, accountable and inclusive institutions at all levels and in support of the implementation of all of the Sustainable Development Goals.

3. The Committee agreed that relating the principles to practices that are operational could address the tension between aspirational goals and a need for practical improvements in governance; however, the question of what constitutes a practice in this sense was the subject of some debate at the sixteenth session and not fully resolved. Accordingly, in the present paper the issue of the identification of related practices is considered and criteria and mechanisms for evaluating the strength of the evidence of their success are proposed. The Committee's view was that relevant practices should not be excluded from the experts' consideration; however, such practices should be well-defined and actionable within a given context and aligned with the Sustainable Development Goals.

4. The Committee recommended continuing with the elaboration of principles of effective governance for sustainable development at its seventeenth session, building on the conceptual framework presented at the sixteenth session, with the essential elements of Sustainable Development Goal 16 of effectiveness, accountability and inclusiveness at its core. A summary of that work, as well as the main observations and conclusions of the discussion, are contained in the Committee's sessional report (E/2017/44-E/C.16/2017/8, chap. III.E).

II. Getting to a draft of the principles

5. Building effective, accountable and inclusive institutions at all levels is a sustainable development commitment in its own right and is reflected in specific targets under Sustainable Development Goal 16. Target 16.6, for example, calls for development of effective, accountable and transparent institutions at all levels, and target 16.7 calls for responsive, inclusive, participatory and representative decision-making at all levels. It is recognized, in addition, that achieving the targets of Goal 16 will be critical to the implementation of all the Sustainable Development Goals and

that there appear to be strong, positive linkages between the institution-building objectives of the 2030 Agenda and most of the other targets.

6. For example, the ability to explore innovative sources of financing, manage public-private partnerships, adopt new approaches to biodiversity preservation, improve wastewater treatment, strengthen social protection and expand access to health care all require adequate capacity on the part of the institutions that have a lead role in putting the relevant laws and regulations to work. Both national and subnational authorities have an important role to play in delivering on the various targets. The principles should therefore be designed to be useful across all areas of governance and institution-building that are relevant to the Sustainable Development Goals.

7. Given the scope of the 2030 Agenda, a question arises as to whether application of the principles should extend to the administration of executive and legislative organs, the security and justice sectors, independent constitutional bodies and State corporations. Here, regional experiences with principles and practices of governance may offer some guidance. The African Charter on Values and Principles of Public Service and Administration, the European Union-Organization for Economic Cooperation and Development (OECD) Principles of Public Administration for European Union enlargement countries as well as for neighbourhood pŏlicy countries, and the Ibero-American Charter for the Public Service all point towards a broad understanding of what constitutes a country's administrative system. This includes any institution or organization that undertakes public service duties (the African Charter on Values and Principles of Public Service and Administration), independent constitutional bodies, as well as the Parliament and judiciary within the scope of their scrutiny and oversight powers over the State administration (the European Union-OECD Principles of Public Administration), and both centralized and decentralized bodies, whether or not they have their own legal personalities (the Ibero-American Charter for Public Service).

8. The Committee has stressed that the principles must be consistent with the Charter of the United Nations and international law and the outcomes of major United Nations conferences and summits, as well as with relevant resolutions of the General Assembly and of the Economic and Social Council. At the same time, the principles are expected to be few in number, expressed in non-technical language and relatively easy for non-specialists to recall. The Committee noted that the conceptual framework discussed at its sixteenth session met all of these requirements and could serve as a foundation for further elaboration. The basic elements were: (a) competence, sound public policy and cooperation under the rubric of effectiveness; (b) integrity, transparency and independent oversight under accountability; and (c) non-discrimination, participation, subsidiarity and intergenerational equity under inclusiveness. In addition, the principle of leaving no one behind was affirmed as a core principle of public administration by the Committee and the Economic and Social Council and could be included as an additional element.

9. The Committee has further advised that the principles should be articulated as brief statements of some depth that are sufficiently general to elicit broad support and expressed in non-technical language. With this in mind, a draft of the basic principles of responsive and effective governance for sustainable development is provided in annex I to the present document. The phrasing is based on the common meanings of words and/or on otherwise widely accepted expressions pertaining, for example, to basic commitments to non-discrimination (principle 7), the needs of future generations in the context of sustainable development (principle 10) and leaving no

one behind (principle 11). The statement on participation (principle 8) was provided by the Committee itself during the fifteenth session. In addition, in order to provide context, the draft principles include a preambular paragraph clarifying their overall purpose and scope.

III. Relating the principles to concrete practices

Recalling commonly used strategies

10. The principles need to be useful to people involved in the implementation of the 2030 Agenda and various other commitments who would like to make specific governance improvements in accordance with their own needs and priorities and are seeking reliable action-oriented guidance. The administrative, economic, social and political sciences have had much to contribute in this regard, and, indeed, the Committee and other entities have explored a range of commonly used strategies for addressing important governance challenges in the past, such as building a professional civil service or promoting integrated policymaking to enhance effectiveness, ensuring the independence of the auditing function or expanding the availability of open government data to strengthen accountability, and institutionalizing participation mechanisms or strengthening local finance to foster inclusiveness. Many such strategies have been recognized and endorsed over the years in the resolutions of the General Assembly and the Economic and Social Council, in the outcomes of major United Nations conference and summits and in the relevant treaties on human rights or corruption prevention. At the same time, ensuring the full success of such strategies has remained a challenge in many countries.

11. It may be helpful to recall these commonly used strategies as a guide-post in identifying concrete practices that Governments could adopt in addressing specific problems that may be bottlenecks to the achievement of a particular goal. A variety of such strategies, linked to technical guidelines, are shown in annex II. Like the principles themselves, it may be expected that the main strategies do not change much over time.

12. Many countries follow traditional or new public management approaches to governance. Some are more actively pursuing forms of collaborative governance. The main strategies highlighted by the Committee and other United Nations bodies should be relevant in all governance paradigms. Similarly, they should be relevant regardless of variations in national legal systems.

Assessing the relevance of a practice

13. Having delineated the basic principles and commonly used strategies for realizing them, there remains the difficulty of relating them to helpful practices, which are expected to be great in number and highly varied. The Committee has stressed that such practices should be concrete if they are to be of use to practitioners and clearly connected with the specific governance challenges to be addressed. How to assess the relevance of practices in this sense is not obvious. Practices that appear to be applicable may refer to broadly defined concepts (e.g., rule of law or smart cities), pertain to public policy but not directly to institution-building (e.g., fiscal and monetary policy or the designation of protected areas) or they may be more indicative than actionable (e.g., public services are delivered).

14. While relevance is often a matter of interpretation based on an individual's knowledge and experience, a pragmatic approach would be to look for a connection

to one of the commonly used strategies listed in annex II and actionability, that is, whether the practice is supported by operational guidelines (e.g., on the management of organizational performance in health services, measures to prevent corruption in access to education, or gender-responsive budgeting) and is actually being implemented in countries. Further efforts to engage the United Nations agencies and other international organizations in the work of the Committee on governance practices could be beneficial in this regard, but there are also other approaches that any user may need to take into account, particularly when it comes to sectoral issues.

15. Accredited professional bodies at the international level may also have published standards and guidelines to draw on. Where seemingly good ideas are not necessarily supported by technical guidelines, more work may be needed to codify them.

16. The Committee has stressed that the practices are not intended to be a list of things that Governments should be doing. Each practice could be useful or not, depending on national and local contexts, visions, models, needs and priorities.

17. The Committee has also stressed that there is no single way of organizing institutions that are responsive and effective, although such institutions may share common features. The adoption of any practice will be conditioned to a large degree by the political feasibility of particular reforms. It will also greatly depend on the characteristics of a country, including the capacities of its institutions. Moreover, countries may have their own legislation and approaches, which might in some cases go further than what is suggested by the Committee.

Finding empirical evidence of the impact of practices on sustainable development

18. In addition to assessing relevance, attention should be given to ensuring that there is sufficient empirical evidence of the impact of a practice on the achievement of one or more of the targets of the Sustainable Development Goals, as well as consistency with the principles of responsive and effective governance. In addition, consideration should be given to the country and sectoral context to which the practice applies. Investing in the groundwork to ensure that expected outcomes are understood and seen in context is important. In discussing diversity and non-discrimination, for example, the Committee has recognized that, within institutions, a balance must be found between the concern for integrating people who have been discriminated against and giving equal chances to all, and ensuring sufficient human resource capacity for the efficient functioning of the public service.

19. In assessing the evidence for the effect of a practice on the achievement of one or more of the targets of the Sustainable Development Goals, including the targets of Goal 16, differences in confidence levels may be observed. To use a simple scale, the evidence could be classified as indeterminate, weak, moderate or strong. The absence of moderate or strong evidence would not necessarily preclude knowledge of a practice from being shared. Any number of innovations may show promise in specific situations and, though their potential impact on the Sustainable Development Goals may not have been determined in general, it can nonetheless be helpful for others who are actively engaged in related efforts to be aware of them early on. Innovative practices being implemented by some countries, including, possibly, achievements recognized through the United Nations Public Service Award, could fall into this category, though there should be acknowledgement that what works in one country may not work in another.

Engaging subject area experts

20. An added value of the practices could be that they are independently assessed by subject area experts according to strictly professional considerations. As was pointed out at the sixteenth session, significant support from the larger research community may be needed to identify relevant practices, assess the scope and strength of the evidence base and possibly promote comparative research, for example, through the United Nations and other international organizations as well as academic networks. The elaboration of some objective standards may be helpful in this regard. For example, where there is reasonable evidence of the success of a practice in one country, the practice could be shared, but with the evidence classified as "indeterminate" in general, pending a more in-depth independent review following a defined process.

Examples of commonly used strategies and related practices

21. An illustrative selection of commonly used strategies and related practices to realize principles of effective governance for sustainable development is shown in annex II. These examples are drawn from the work of international organizations as well as professional associations with expertise in specialized fields of administration, such as risk management, regulatory analysis and impact assessment. The compilation could be formalized and extended, taking into account the interface between the principles and different layers of governance discussed below.

22. As noted by the Committee at the sixteenth session, the work could be further illustrated with case studies and promising approaches observed at the national and subnational levels. By way of example, such cases might refer to the creation of a unit under the Head of State or Government to promote a more integrated approach to policy implementation and promote delivery standards and results in priority areas (collaboration); the creation of semi-autonomous tax agencies to enhance revenue administration and reduce corruption (integrity); and measures to ensure equal access of all users to public services and prohibit discrimination in delivery (non-discrimination).

IV. Interface between the principles and different layers of governance

23. At its sixteenth session, the Committee deliberated extensively on practical considerations relating to the development context of governance and the need for an outcome orientation in identifying practices and recognition of the power dynamics, attitudes, behaviours and interests that may enhance or hinder efforts at readying institutions and policies for implementation of the 2030 Agenda. In order to leave no one behind, it may be necessary, more than ever, to equip institutions to reach the furthest behind first and improve the lives of the poorest and most vulnerable.

24. The Committee also observed that the principles could usefully spur countries to think about feasible reforms that would take into account each country's starting point and prioritize key problems according to each country's capacities and context. For reforms to succeed, they must be politically supportable and practically implementable, in addition to being relevant and effective, which may in turn imply the creation of an environment for decision-making that encourages delegation and experimentation to solve particular problems.

25. In subsequent consultations, interested members working on the present paper have pointed to the need to consider the role of public administration in different spheres of government action. Five layers of governance have been proposed as a model for understanding the everyday reality of institutions and to further contextualize the application of the principles. The five layers comprise: the management of individual organizations; collaboration across government; relations with non-State actors; organizational attitudes and behaviours; and governance at the systemic level. Each of the basic principles set out in annex I may guide action in all five areas.

Management of individual organizations

26. Sometimes there has been more of an emphasis on management methods and techniques common to the public sector, while at other times the emphasis has been on practices common to the private sector. This has resulted in a range of visions on what effective management is and should be, and whether public, private or not-for-profit status makes a difference in approaches taken to management practices. In the public sector, a suitable legal framework is necessary to guide management and ensure a degree of freedom in managing personnel and finances and sharing information, which is essential to finding innovative solutions to governance challenges. The digitization of the public sector and rapid technological changes are also affecting the ways in which government operations are organized and public services are delivered.

27. Effective management calls, inter alia, for experienced and transformational leadership and a focus on delivering services that contribute to achievement of the Sustainable Development Goals. Also essential are: (a) the capacity to address complex problems with a focus on the problems people care about most; (b) the ability to innovate to respond to new and emerging challenges; (c) the potential to mobilize financing from all sources — public and private — and use resources efficiently and effectively; and (d) the ability to attract and retain sufficient human resources capable of addressing national economic and social needs.

28. Accountability requires attention to ensuring that there are no conflicts of interest on the part of government officials or other actors who are involved, that public institutions are open about their decisions and operations and that reliable internal control, internal audit and external audit mechanisms are in place.

29. Inclusiveness implies the presence of a diverse and motivated workforce that is representative of the population served, a commitment to and mechanisms for engaging people in decision-making, including women and the poorest and most vulnerable, as well as a sense of ownership of the mission, vision and objectives of the organization.

30. Public sector reforms designed to improve the management of individual organizations may address issues related to personnel, finance (budgeting, accounting, auditing), strategy, organization, performance evaluation of policymakers and public servants, communication, leadership, the creation of platforms and mechanisms for more participatory policies and decision-making and for feedback and learning and inventory control, among other things. The implementation of such reforms continues to be a major challenge in many countries.

Collaboration across government

31. Collaboration is about interaction among a range of organizations with a common interest, whereby a set of outputs delivered by these organizations jointly contributes to a shared outcome. Such collaboration could be pursued on a territorial basis, for example, among the departments and offices of a local government, or functionally, for example among organizations working in a given policy field or towards a common end, such as the Sustainable Development Goals. Collaboration entails attention to interactions, synergies and coordination, and a clear division of labour through, for example, integrated policies, horizontal and vertical integration, transversal policies and cross-border collaboration, among other things.

32. Effectiveness in collaboration depends on there being a sufficient evidence base and sufficient capacities and competencies on the part of all organizations concerned. The leadership of a high-impact agency could be useful in obtaining commitment, ensuring coordination and guiding efforts towards a shared objective. Public-public partnerships can be valuable, particularly in supporting and equipping local authorities. Accountability implies that all organizations should prioritize shared ownership of a common outcome over their own outputs. Conflicts of interest between the objectives of a single organization and the realization of a shared outcome such as Sustainable Development Goal should be minimized. This requires an understanding of relations among sectors, transparency and a clear indication of who is responsible for what. Inclusiveness and participation are also crucial for collaboration across government, so that efforts are guided by the needs of people. The vertical distribution of responsibilities across the levels of government and the related assignment of accountability also need to be even-handed.

33. Reforms to improve collaboration may consist of the implementation of hierarchical mechanisms, such as input-based budgets, top-down instructions and control lines; market mechanisms, such as output-based budgets, tendering and vouchers; network mechanisms, such as knowledge and personnel exchanges, the sharing of corporate identities and the pooling of resources; and new mechanisms to consult and engage people in decision-making.

Relations with non-State actors

34. There is also a need to manage the interfaces between the public sector, civil society and the private sector. This implies the presence of sufficient governance capacity in civil society and the private sector.

35. The effectiveness of relations with non-State actors can be improved throughout the policy cycle in an open system of government, with stakeholders involved in the implementation and evaluation of initiatives from the beginning. With a sense of ownership comes a higher probability of constructive civic action. In the implementation stage, there is contracting out, there are partnerships and there is delegation to the private sector, to civil society and to citizens. Some countries recommend using partnerships with the private sector, civil society and local governments to assure continuity of public services in times of crises and to reach the poorest and most vulnerable, as well as to manage public investments. With regard to accountability, relations with non-State actors need to be governed in a transparent, legal and functional way, inter alia, to reduce opportunities for corruption and guarantee the quality of public services.

36. In order to promote inclusiveness, clearly defined responsibilities and accountability requirements should be spelled out in situations of contracting out,

partnerships and delegation of authority, regardless of whether the relationships among the parties are hierarchical, market-based or network-based. Weak governance in these areas can lead to a high risk of corruption or institutional capture or to a situation in which the cost is for the public sector and the benefits for the stakeholder. It is important not to exclude stakeholders that could potentially contribute to design, decision-making, production and evaluation.

37. Reforms at this layer of governance are related to supporting, regulating and framing the way markets, civil society organizations and citizen participation should work. Investment in the governance capacity of private sector and civil society organizations can be essential to obtaining strong performance, particularly when public service delivery is delegated or contracted out, for example through a shared risk management model in public-private partnerships or shared financial and performance reporting systems. Broad principles may suffice in some areas, while, in others, specific regulation may be helpful, as seen, for example, in the supervision and risk management of the banking sector.

38. Another major reform area involves guaranteeing capacity within the public sector to create ongoing exchange of activities with the private sector and civil society. This implies the capacity to know the field and establish partnerships. There also needs to be a solid, transparent and competent capacity to contract out, including monitoring, inspecting and evaluating partnerships and contracts.

Organizational attitudes and behaviours

39. In order to realize the Sustainable Development Goals, attention must be paid to the interaction between the "hardware" of an organization and its "software", in terms of values, culture and ideas. Governance should not just be focused on the results. It should also be focused on appropriate behaviours and attitudes of agents in the field of the Sustainable Development Goals. The key governance concepts are values and ideas, such as integrity and transparency, a focus on serving people and a culture of responsibility, accountability, openness, citizen orientation and service delivery. Inappropriateness, in terms of governance, would be characterized by corruption, fraud, lack of transparency, preferential treatment of some segments of the population, or a culture of irresponsibility and absence of accountability. The goal is to increase the value of public institutions to society to legitimize the public sphere. This has to do with perceptions that expectations are being met, which leads to satisfaction and ultimately to trust.

40. Effectiveness with respect to attitudes and behaviours implies a focus on cooperation and results for citizens. Accountability at this layer implies the values and cultures of integrity, transparency and oversight. Inclusion implies non-discrimination, participation, subsidiarity and equity.

41. The development of leadership programmes is a crucial type of project in reform programmes dealing with organizational culture. Even if it is accepted that cultural change takes a long time and is difficult, and given the situation that removing people is not always possible or easy, training and education can be beneficial in changing ideas held by society about appropriate organizational attitudes and behaviours.

Governance at the systemic level

42. Governance at the systemic level concerns the political economy and social contract of the State itself. It is essential to take into account the historical institutions and culture of a country, with its administrative tradition and political history, in order

to have well-functioning governance at the State level and in society at large. The major mechanisms of decision-making in a country and the division of responsibilities and accountability for public policies and service delivery are the main elements of governance at the systemic level. The basic framing document for systemic governance is the country's constitution, which may provide for checks and balances in governance structures and stipulate the degree of decentralization as an expression of the degree of freedom allowed in public policy in different parts of a country. Another major element relates to the proportion of gross domestic product (GDP) associated with the State, the private sector and civil society, and the way public resources are allocated by the Government. Allocation mechanisms of price, budget and negotiated transfers, which have an important bearing on infrastructure financing, come into play.

43. Efforts to improve the effectiveness of governance at the systemic level may encourage States to take a whole-of-government or integrated approach to policymaking, notably with respect to the Sustainable Development Goals. This approach implies that a systematic, constitutionally guaranteed, cooperation between levels of government is possible. For this approach to be effective, it is crucial that a country also have the necessary expertise, including in statistics and information and communications technology, to support its major policies and service delivery. In order to ensure accountability, legislation and technical guidelines on allocating resources and responsibilities for policy design, decision, implementation and evaluation, including mechanisms for transparency and oversight, must be in place. Inclusiveness comprises an institutional dimension that brings in all levels of government, a geographical dimension that extends to all parts of the country and a demographic dimension that involves all segments of the population and takes into consideration the needs of future generations.

44. Depending on the governance traditions of the State and the national priorities with respect to the Sustainable Development Goals, it may be helpful to consider greater centralization or greater decentralization; to adopt policies that seek to adjust the public, private or civil society responsibilities; to enhance public accountability mechanisms; or to re-allocate resources in order to create an enabling environment that reinforces efforts to implement all of the Sustainable Development Goals in a country.

V. Linking with global efforts to support implementation of the Sustainable Development Goals

45. Given that the Committee intends the principles to be a practical resource of an evolving nature, questions arise as to how they could be linked to efforts to support implementation of the Sustainable Development Goals at the global level. In this connection, it will be important to bring the principles to the attention of Governments in a way that is helpful to them in their efforts to implement the 2030 Agenda.

46. One approach could be to continue to build on the effort to reference and bring together within one framework relevant standards and guidelines that have been or are being developed elsewhere in the United Nations system. In some cases, conventions and treaties may already lay down a framework for action that is of a legally binding nature, as, for example, in the case of the United Nations Convention against Corruption. Principles of effective governance could indeed build on those and other agreements, as articulated above, but be of a voluntary nature. In other cases, technical committees and the secretariats of various international organizations

may have formulated a variety of operational guidelines as follow-up to aspirational agreements and commitments made at the intergovernmental level.

47. There is ongoing discussion and development of relevant operational guidelines in many fields of endeavour throughout the United Nations system. Joint initiatives with the United Nations Development Programme, the Food and Agriculture Organization of the United Nations, the International Labour Organization, the United Nations Office on Drugs and Crime and other interested entities of the United Nations system could be explored, with the first step being to identify guidelines relevant to implementation of the principles from various sectoral perspectives, taking into account the interrelationships inherent in the Sustainable Development Goals.

48. A second approach for linking with global efforts to support the implementation of the Sustainable Development Goals may be to explore how the basic principles could be reflected in ongoing United Nations capacity development activities. An initial step could involve some form of self-assessment of the development cooperation strategies and programmes of the United Nations system for consistency with the principles, with a view to ensuring that the principles are reflected in United Nations support to national action. Similar assessments could be initiated of relevant technical standards of other organizations to promote alignment with the Sustainable Development Goals and the principle of leaving no one behind.

49. Global dialogue and knowledge-sharing are also beneficial for promoting effective governance. As suggested at the sixteenth session of the Committee, countries could be invited to provide examples of reforms and practices linked to a set of voluntary principles, which could also be beneficial for peer learning purposes. Such case studies could relate to national planning functions, statistical systems and tax administration, among other things, and the challenges and opportunities countries see in using these systems to help achieve the Sustainable Development Goals. Such initiatives could be further linked to ongoing activities to promote the implementation of Sustainable Development Goal 16, such as Pathfinders for Peaceful, Just and Inclusive Societies.

VI. Recommendations

50. In its earlier deliberations on governance principles, the Committee decided that the conceptual framework discussed at the sixteenth session could serve as a foundation for further elaboration and agreed that the basic principles should comprise: (a) competence, sound public policy and cooperation under the rubric of effectiveness; (b) integrity, transparency and independent oversight under accountability; and (c) non-discrimination, participation, subsidiarity and intergenerational equity under inclusiveness. Furthermore, the principle of leaving no one behind, which was affirmed by the Committee and the Economic and Social Council as a core principle of public administration, could be included as an additional element.

51. Challenges in the efforts to implement the 2030 Agenda in public administration, while specific and contextual, can often be traced back to insufficient attention to one or more common strategies for addressing these basic principles. In thinking about a particular problem, public servants may find it helpful to consider which of the principles are most relevant to the issue at hand and whether any of the commonly used strategies require additional attention in that context. Understood in this way, examples of related practices aligned with the Sustainable Development

Goals and the principle of leaving no one behind could provide relevant technical guidance, bearing in mind the evidence of the impact of the practice on sustainable development outcomes.

52. In some cases, the technical guidelines will be robust, having been thoroughly vetted for sufficiency of evidence and endorsed by a network of leading experts in the field. In other cases, practices may be more experimental — promising innovations that appear to have worked in particular situations but that have not been tested under different conditions. Relating the principles to concrete guidelines, evaluating the strength of the evidence of the impact of these practices on outcomes related to the Sustainable Development Goals and linking to global efforts to support implementation of the Sustainable Development Goals may be where the main challenges lie going forward.

53. With this in mind, and as a way forward, the Committee may wish to:

- Review and endorse the basic principles contained in annex I as a working document, while continuing to refine the related set of technical guidelines contained in annex II as a resource of an evolving nature;
- Endorse the idea of identifying practices that could provide helpful technical guidance on the operationalization of the basic principles;
- Provide guidance on the development of a process and guidelines for assessing the relevance of a practice to the principles, including alignment with the Sustainable Development Goals and the principle of leaving no one behind, find empirical evidence of their impact on outcomes related to the Sustainable Development Goals and engage in this effort subject area experts from the United Nations and other international and regional organizations, as well as regional and national training and research institutes, public administration associations and related entities;
- Discuss whether it would be helpful to identify specific technical guidelines to implement the principles from a sectoral perspective, in such fields as human resources, finance, education, health, labour, social welfare, the environment, security, justice and other areas related to the Sustainable Development Goals, taking into account the interrelationships inherent in the Goals.

Annex I

Draft basic principles of responsive and effective governance for sustainable development

Preamble

The full realization of the Sustainable Development Goals and other internationally agreed development objectives will hinge in no small part on a common understanding of the basic principles of responsive and effective governance for sustainable development. The basic principles set out below are intended to clarify the governance agenda, taking into account different governance structures, national realities, capacities and levels of development and respecting national policies and priorities. They have been developed by the Committee of Experts on Public Administration to help interested countries, on a voluntary basis, build effective, accountable and inclusive institutions at all levels, with a view to achieving the shared vision for the people and the planet embodied in the 2030 Agenda for Sustainable Development. As basic principles, they apply to all public institutions, including the administration of executive and legislative organs, the security and justice sectors, independent constitutional bodies and State corporations. The principles are given depth and made operational through a selection of commonly used strategies and related practices, which are an integral and evolving part of this work.

Basic principle	
Effectiveness	
Competence	To perform their functions effectively, institutions are to have sufficient expertise, resources and tools to deal adequately with the mandates under their authority
Sound policymaking	To achieve their intended results, public policies are to be coherent with one another and founded on true or well-established grounds, in full accordance with fact, reason and good sense
Collaboration	To address problems of common interest, institutions at all levels of government and in all sectors should work together and jointly with non-State actors towards the same end, purpose and effect
Accountability	
Integrity	To serve in the public interest, civil servants are to discharge their official duties honestly, fairly and in a manner consistent with soundness of moral principle
Transparency	To ensure accountability and enable public scrutiny, institutions are to be open and candid in the execution of their functions and promote access to information, subject only to the specific and limited exceptions as are provided by law

Independent oversight	To retain trust in government, oversight agencies are to act according to strictly professional considerations and apart from and unaffected by others
Inclusiveness	
Non-discrimination	To respect, protect and promote human rights and fundamental freedoms for all, access to public service is to be provided on general terms of equality, without distinction of any kind as to race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth, disability or other status
Participation	To have an effective State, all significant political groups should be actively involved in matters that directly affect them and have a chance to influence policy
Subsidiarity	To promote government that is responsive to the needs and aspirations of all people, central authorities should perform only those tasks which cannot be performed effectively at a more intermediate or local level
Intergenerational equity	To promote prosperity and quality of life for all, institutions should construct administrative acts that balance the short-term needs of today's generation with the longer-term needs of future generations
Leaving no one behind	To ensure that all human beings can fulfil their potential in dignity and equality, public policies are to take into account the needs and aspirations of all segments of society, including the poorest and most vulnerable and those subject to discrimination

Annex II

Commonly used strategies and an illustrative selection of related technical guidelines to operationalize the draft basic principles

Principle	*Commonly used strategies*	*Illustrative selection of related technical guidelines*
Effectiveness		
Competence	• Promotion of professional merit-based civil service • Strategic human resources management • Promotion of leadership development and training of civil servants • Performance management • Results-based management • Financial management and control • Enhancement of revenue administration • Investment in e-government	International labour standards (ILO); ISO 9001 international standard for quality management systems (International Organization for Standardization); International Public Sector Accounting Standards (International Public Accounting Standards Board); Results based Budgeting Manual (Council of Europe); Guidelines for Public Financial Management Reform (Commonwealth Secretariat); Manual on Tax Collection and (Inter-American Center of Tax Administrations)
Sound policymaking	• Strategic planning and foresight • Regulatory impact analysis • Promotion of integrated policymaking • Strengthening national statistical systems • Monitoring and evaluation systems • Science-policy interface • Risk management frameworks	*Integrated Policymaking for Sustainable Development: A Reference Manual* (UNEP); international statistical standards (United Nations system and others); modelling tools for sustainable development policies (Department of Economic and Social Affairs); *Foresight: the Manual* (UNDP); Guiding Principles for Regulatory Quality and Performance (OECD); ISO 31000 international standard for risk management (International Organization for Standardization)
Collaboration	• Centre of government coordination under the Head of State or Government • Coordination and dialogue across levels of government and functional areas • Raising awareness of the Sustainable Development Goals • Network-based governance • Public-private partnerships	Principles for Public Governance of Public-Private Partnerships (OECD)
Accountability		
Integrity	• Establishment of anti-corruption agencies	National anti-corruption strategies: a practical guide for development and implementation (UNODC); guidelines on

Principle	*Commonly used strategies*	*Illustrative selection of related technical guidelines*
	• Codes of conduct for public officials • Competitive public procurement • Elimination of bribery and trading in influence • Conflict of interest policies • Whistle-blower protection • Provision of adequate remuneration and equitable pay scales for public servants	the implementation of article 9 of the United Nations Convention against Corruption, on public procurement (UNODC); International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation (Financial Action Task Force); e-procurement toolkit (World Bank)
Transparency	• Proactive disclosure of information • Budget transparency • Open government data • Registries of beneficial ownership • Lobby registries	Open government data toolkit (World Bank); Extractive Industries Transparency Initiative Standard (Extractive Industries Transparency Initiative); guidelines on open government data for citizen engagement (Department of Economic and Social Affairs)
Independent oversight	• Promotion of the independence of regulatory agencies • Arrangements for review of administrative decisions by courts or other bodies • Independent audit	Draft guidance on auditing preparedness for implementation of the Sustainable Development Goals (Department of Economic and Social Affairs and International Organization of Supreme Audit Institutions); International Professional Practices Framework for Internal Audit (Institute of Internal Auditors); Best Practice Principles for Regulatory Policy (OECD); *Handbook for Monitoring Administrative Justice* (OSCE)
Inclusiveness		
Non-discrimination	• Promotion of public sector workforce diversity • Prohibition of discrimination in public service delivery • Multilingual service delivery • Accessibility standards • Cultural audit of institutions • Universal birth registration • Gender-responsive budgeting	Gender-responsive budgeting principles, processes and tools (UNFPA, UN-Women); *Guidelines on Population Registration* (OSCE); web content accessibility guidelines (World Wide Web Consortium)
Participation	• Free and fair elections • Regulatory process of public consultation	Draft guidelines on the effective implementation of the right to participate in public affairs (OHCHR); ISO/TS 17582 particular requirements for the

Principle	*Commonly used strategies*	*Illustrative selection of related technical guidelines*
	• Multi-stakeholder forums • Participatory budgeting • Community-driven development	application of ISO 9001:2008 for electoral organizations at all levels of government (International Organization for Standardization)
Subsidiarity	• Fiscal federalism • Strengthening urban governance • Strengthening municipal finance and local finance systems • Enhancement of local capacity for prevention, adaptation and mitigation of external shocks	*Intergovernmental Fiscal Transfers: Principles and Practices* (World Bank); International Guidelines on Decentralization and Access to Basic Services for All (UN-Habitat); European benchmark of good governance at the local level (Council of Europe)
Intergenerational equity	• Sustainable development impact assessment • Long-term public debt management • Promotion of long-term territorial planning and spatial development • Ecosystem management	Guidance on integrating ecosystem considerations into climate change vulnerability and impact assessment (UNEP); International Guidelines on Urban and Territorial Planning (UN-Habitat); International Principles for Social Impact Assessment (International Association for Impact Assessment)
Leaving no one behind	• Promotion of equitable fiscal and monetary policy • Promotion of social equity • Data disaggregation • Systematic follow-up and review	Guiding principles on extreme poverty and human rights (Human Rights Council); guidelines to support country reporting on the Sustainable Development Goals (United Nations Development Group); voluntary common reporting guidelines for voluntary national reviews at the high-level political forum for sustainable development (Department of Economic and Social Affairs); draft standards for data disaggregation (Department of Economic and Social Affairs)

Abbreviations: ILO, International Labour Organization; OECD, Organization for Economic Cooperation and Development; OHCHR, Office of the United Nations High Commissioner for Human Rights; OSCE, Organization for Security and Cooperation in Europe; UNDP, United Nations Development Programme; UNEP, United Nations Environment Programme; UNFPA, United Nations Population Fund; UN-Habitat, United Nations Human Settlements Programme; UNODC, United Nations Office on Drugs and Crime; UN-Women, United Nations Entity for Gender Equality and the Empowerment of Women